



13th March, 2025

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1,
G Block, Bandra – Kurla Complex,
Bandra (East), Mumbai 400 051

Scrip Code: **507779**

Trading Symbol: **KANPRPLA**

Ref:- Intimation as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 –Sale of plant and machinery of CPP Division

Sub: Intimation of Signing Assets Purchase Agreement with SRF Limited and Press Release

Dear Sir,

In continuation to our intimation dated 11th March, 2025, this is to inform you that consequent to the approval of the Board of Directors the Company has signed an Assets Purchase Agreement with the SRF Limited for sale of plant and machinery of its CPP division on 'as is where is basis'.

A press release in this regard is also attached herewith for dissemination to the shareholders of the Company.

The details as required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November 2024 were already disclosed on 11th March, 2025 and again are annexed herewith as Annexure-1

Please take this on record and oblige.

Thanking You.

Yours Faithfully,

For **Kanpur Plastipack Limited**

(Ankur Srivastava)

Company Secretary

Encl: A/a

Manufacturers & Exporters:

Flexible Intermediate Bulk Container (FIBC) | PP Multifilament Yarn | UV Master Batches | Fabrics | CPP Films
CIN: L25209UP1971PLC003444



D-19, 20 Panki Industrial Area,
Kanpur-208022, India



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Annexure-1

Details required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11 November 2024.

Sr. No	Particulars	Details
1.	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division or undertaking or subsidiary or associate company of the listed entity during the last financial year;	Turnover 2023-24: ₹ 20.13 Cr. i.e. 4.08% of Total Turnover. Net Worth Contributed by CPP Division 2023-24: ₹ -6.33 Cr.
2.	Date on which the agreement for sale has been entered into;	11 th March, 2025
3.	The expected date of completion of sale/disposal;	The transaction is subject to the approval of the shareholders of the Company and expected to be completed by 30 th October, 2025 subject to satisfaction of the conditions in the agreement.
4.	Consideration received from such sale/disposal;	Total agreed Sales Consideration ₹ 49.25 Cr.
5.	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;	SRF Limited The buyer does not belong to Promoter / Promoter group / Group Companies.
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";	No

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7.	Whether the sale, lease or disposal of the undertaking is outside Scheme of Arrangement? If yes, details of the same including compliance with regulation 37A of LODR Regulations.	Yes The transaction is subject to the approval of the Shareholders. The Company shall comply with regulation 37A of SEBI LODR Regulations.
8.	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

Yours Faithfully,
For **Kanpur Plastipack Limited**

(Ankur Srivastava)
Company Secretary

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PRESS NOTE DATED 13TH MARCH, 2025

KANPUR PLASTIPACK LIMITED SELLS ITS CPP DIVISION

Kanpur Plastipack Limited is a leading manufacturer and exporter of Flexible Intermediate Bulk Container (FIBC)/ Bulk Bag/Jumbo Bag, PP Multifilament Yarn, PP Woven Sacks, CPP (Cast Polypropylene) films and a wide variety of Fabrics like Sulzer Fabric, Ventilated Fabric, Circular Fabric, etc. Located in Kanpur, India, and with over 50 years of experience in Industrial Packaging, KPL has an excellent track record for providing high-quality products and customer satisfaction.

The Company had diversified into CPP film manufacturing in 2023 when it commissioned its CPP plant. The CPP Film market is part of flexible film packaging industry catering to the consumer sector. The films so made were to be supplied to Convertors who would then in turn supply the same to the FMCG segment apart from other end uses. However, due to Global uncertainties and a slowdown in economic activity, consumer products and FMCG sector has not shown robust growth affecting the demand for flexible packaging products. Tremendous over capacity in the flexible films industry led to prices which were not only uneconomical but also unviable in the long term. This had impacted the overall performance of the Company.

Objects

CPP division stand alone delivering affected financial performance since its inception. The division continues to suffer losses and an internal analysis shows that CPP division on its own is unlikely to be viable in the near future. In view of the evolving market dynamics and future projection based on the various studies, the management was seeking the possibility of exiting this business and concentrate on its core activities of FIBCs, PP Fabric and small PP sacks. With a view to prevent the losses and financial burden which the CPP division is putting on the main division of the Company and to focus on expanding its core Raffia business, it has been decided to exit from the CPP business and sell the plant and machineries of the CPP division.

Sale of Plant and Machinery of CPP Division

In view of the above, the Company has entered into an Assets Purchase Agreement on 11th March, 2025 to sell the plant and machineries of the CPP division on 'as is where is' basis at a total consideration of Rs. 49.25 Cr. (Rupees Fourty Nine Crores and Twenty Five Lacs Only) to M/s SRF Limited.

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Outlook

Going forward the sale of these machineries will be a cash positive activity as the entire proceeds from the sale shall be used to repay the outstanding term loan on these assets thereby considerably reducing the debt burden. The losses of CPP will no longer drain the profitable Raffia division of the company. Savings on account of interest outflow will further enhance the bottom line of the company.

Significantly, the infusion of funds by the promoters in the form of preferential issue of warrants to the tune of Rs 20 Crores, currently underway, will also help in increasing the liquidity of the Company. The Raffia division itself has shown a healthy profit trend in the last quarter which is expected to continue.

With both these exercises the debt structure of the Company will significantly reduced and the Balance Sheet of your Company will significantly strengthen coupled with the significant reduction of interest cost. The management is confident of a bright future ahead. Plans are underway to strengthen the core Raffia business and increase its capacity.

Date: 13th March, 2025

Place: Kanpur

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