CIN : L26942TG1979PLC002485

KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED

1-10-140/1, 'GURUKRUPA', Ashok Nagar, Hyderabad - 500 020.

REF:KCSIL:SEC:2018: February 2, 2018

The Manager,
Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
MUMBAI - 400 051.

Dear Sir,

Sub : Closure directions issued by Central Pollution Control Board (CPCB) for our cement Plant /Disclosure of Developments in the matter under Regulation 30 of SEBI (LODR) Regulations, 2015.

Please refer to our letter dated October 19, 2017 informing you about Closure directions issued by Central Pollution Control Board (CPCB) in respect of our Cement Plant.

In this regard we wish to inform you the developments in the matter of closure directions.

Reason for closure:-

As has already been informed by the company vide our filings dated 19th October, 2017 and 24th October, 2017, the Central Pollution Control Board (CPCB) has issued closure directions for non-connectivity of Emission Monitoring Equipment to the CPCB sever in respect of our cement plant.

Date of closure or estimated time of closure:-

As has already been informed to you, the closure was effected following disconnection of power and it was done on the evening of 18th October, 2017 and communication to the Registered office through mail was given at 21.11 PM on the same day. The same was informed stock Exchanges on Diwali day (19th October, 2017 at 10.50 AM).

Brief note on subsequent developments:-

The company had installed online SPM stack monitoring equipment and provided connectivity to CPCB and SPCB servers. We were advised to install

Contd....2

So_2 NOX, Co_2 and O_2 measuring analysers also and the company complied with the requirements and provided connectivity to CPCB and State Pollution Control Board severs.

We were subsequently informed by CPCB that online continuous emission monitoring systems (OCEMS) are also required to be installed for other processes as per CPCB guidelines. The company accordingly placed orders and a part of the machinery has already been received while remaining equipment is expected shortly. After installation process is completed for the whole set of equipment, we shall provide connectivity to CPCB as well as to the State Pollution Control Board servers.

We are hopeful that revocation order in respect of the closure directions for the cement plant will be resolved before end of February, 2018.

Amount & percentage of turnover or revenue or income and net worth of the listed entity contributed by such unit or division during the half-year ended 30th September, 2017:-

We have provided details of the contribution made by cement plant for the year ended 31st March, 2017 in our letter dated 24th October, 2017. The Cement division registered a turnover of Rs.5220.97 lacs which constitutes 44% of the total revenue of the company at Rs.11866.08 lacs for the half-year ended 30th September, 2017.

The Net worth cannot be given for each division as taxation element would have to be reckoned for the company as a whole.

Date of such binding agreement, if any, entered for sale of such unit/division, if any:-

Not Applicable.

We shall provide you further material information as and when there is a material development in this regard.

Thanking you,
Yours faithfully,
for KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED,

2/2/18
P VEERAIAH
MANAGING DIRECTOR