

Ref: NACL/SE/SE-LAC/2018-19

05th June, 2018

1) BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai,
Mumbai-400001.

2) National Stock Exchange of India Ltd

Exchange Plaza, 5th Floor
Plot No. C/1 G Block,
Bandra –Kurla Complex, Bandra (E)
Mumbai-400051.

Dear Sir,

Sub: Memorandum of Understanding with ATGC Biotech –reg.

Ref: Company Code: 524709 Script ID: NACLIND

Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, we wish to inform that the Company has entered into a binding Memorandum of Understanding with ATGC Biotech Private Limited, Hyderabad (TS), a DSIR recognized Company engaged in the business of research, development and manufacture of synthetic organic molecules, active ingredients, semiochemicals, attractants, insect pheromones, a portfolio that includes several insect pheromones and pheromone blends for effective control of various insect pests damaging the crops.

In this connection, we are herewith disclosing the desired information as specified in the point 5 of Part-A, Annexure-I, of SEBI Circular dated 09th September, 2015 given below for your records:

5.1	Name(s) of parties with whom the agreement is entered.	ATGC Biotech Private Limited, India.
5.2	Purpose of entering into the agreement.	Mainly to form a Joint Venture (JV) Company with ATGC in the direction of commercializing of various products developed / to be developed by ATGC.



Plot No. 12-A, 'C' Block, Lakshmi Towers, No. 8-2-248/1/778, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082, Telangana, INDIA.
Phone : +91-40-33605100/123, Fax : +91-40-23358062 E-mail : info@naclind.com Website : www.naclind.com
CIN : L24209AP0001000000

Factory-Technical :

Plot # 177, Arinama Akkivalasa Village, Allinagaram
Post, Etcherla Mandal, Srikakulam - 532403, A.P.
Phone : +91-08942-231172, 300400 / 401
Fax : +91-08942-231171

Factory-Formulation :

Unit - I, Unit - II
Ethakota-533238, Ravulapalem Mandal
East Godavari Dist., A.P.
Phone : +91-8855-305617 / 627

R&D Centre :

Sy. No. 1710 & 1711, Anthireddyguda Road, Nandigaon
Village & Mandal, R.R.District, Telangana - 509228
Phone : +91-08548-305004
Fa x : +91-08548-305801

5.3	Shareholding, if any, in the entity with whom the agreement is executed.	NACL is not holding any shares in the equity capital of ATGC. However, in terms of the MoU it is proposed to invest up to a maximum shareholding 10% in the equity capital of ATGC.
5.4	Significant terms of agreement (<i>in brief</i>), special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.,	<p>This long term agreement inter-alia provides:</p> <ul style="list-style-type: none"> a) to form a JV Company with equal contribution to equity capital of JV, in the direction of commercializing of various products developed / to be developed by ATGC; b) right to NACL to exclusively manufacture few of the Active Ingredients (AIs) for those formulated products; c) NACL shall have certain rights of selling and marketing various formulated products directly through its marketing channels. <p>The MoU however does not envisages any such special right to appoint directors, right to share subscription by issue of shares, right to restrict change in capital structure etc.,</p>
5.5	Whether, said parties are related to promoter/promoter group/group companies in any manner. If any,	No



	nature of relationship.	
5.6	Whether the transaction would fall within related party transactions?	No
5.7	In case of issuance of shares to the parties, details of issue price, class of shares issued:	Not applicable.
5.8	Any other disclosure related to agreements i.e., details of nominee on the Board of Directors of the listed company, potential conflict of interest arising out of such agreements.	Not Applicable
5.9	In case of termination or amendment of agreement, listed entity shall disclose a) name of parties to the agreement, b) nature of the agreement c) date of execution of the agreement d) details of amendments and impact thereof or reason of termination and impact thereof.	Not Applicable

Thanking you,

for **NACL Industries Limited**


Satish Kumar Subudhi

Company Secretary & Head-Legal

