GNFC

Gujarat Narmada Valley Fertilizers & Chemicals Limited

CIN : L24110GJ1976PLC002903

P. O. Narmadanagar - 392 015, Dist. Bharuch, Gujarat, India
Ph (02642)247001, 247002
Website www.gnfc.in

(An ISO 14001 & OHSAS 18001 Company)

NO. SEC/BD/SE/
September 21, 2016

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Dy General Manager
BSE Ltd.
Corporate Relationship Dept
1st Floor, New Trading Ring,
Rotunda Bldg
PJ Towers, Dalal Street, Fort
Mumbai-400 001

Co. Code: BSE - "500670"

The Manager
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza,
C-1, Block - "G",
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

Co. Code: NSE- "GNFC EQ"

Sub: Setting up of about 345 MTPD Purified Wet Lime Project in joint venture with M/s Santosh Agrochem LLP.

Dear Sir,

The company has signed Joint Venture (JV) Agreement with M/s Santosh Agrochem LLP for setting up of about 345 MTPD Purified Wet Lime Project in a phased manner at Bharuch to be implemented through a JV Company in the name of "M/s Calciwell Chemtech Private Limited" at an estimated cost of Rs.50 Crore.

The information relating to said Joint Venture Agreement is furnished in the enclosed Annexure – A, in compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9/9/2015:

We request you to kindly take note of the above.

Thanking you,

Yours faithfully,
For GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LTD

R B PANCHAL
COMPANY SECRETARY &
EXECUTIVE DIRECTOR

ENCL : A : A :

GNFC

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Annexure - A

Joint Venture Agreement with M/s Santosh Agrochem LLP:

1.	Name(s) of parties with whom the Agreement is entered.	Gujarat Narmada Valley Fertilizers & Chemicals Limited (GNFC) and M/s Santosh Agrochem LLP (SAC).
2.	Purpose of entering into the Agreement.	For setting-up of about 345 MTPD Purified Wet Lime Project in 2 (two) phases at Bharuch to be implemented through a JV Company in the name of "M/s Calciwell Chemtech Private Limited" (CCPL) at an estimated cost of Rs.50 Crore.
3.	Shareholding, if any, in the entity with whom the Agreement is executed.	The company is not holding any shares in M/s Santosh Agrochem LLP with whom the JV Agreement is signed.
4.	Significant terms of the agreement (in brief) 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.	In JV company, the equity investment would be in the ratio of 10:90. GNFC will initially infuse token equity of Rs 1,00,000 in the JV company i.e, CCPL in the first phase of implementation of the Project. On successful completion of Phase I plant and on beginning of implementation of Phase II plant, the equity participation will be as under: • 90% of the equity of CCPL will be held by SAC and • 10% of the equity of CCPL will be held by GNFC. The Board of Directors of JV company (CCPL) will consist of total 6 (six) Directors, out of which; • GNFC has a right to nominate 2 (two) Directors including Chairman of the Board and • SAC has a right to nominate 4 (four) Directors including Managing Director.
5.	Whether, the said parties are related to promoter / promoter group / group companies in any	No

	manner. If yes, nature of relationship.	
6.	Whether the transaction would fall within the related party transactions? If yes, whether the same is done at "arms length".	No
7.	In case of issuance of shares to the parties, details of issue price, class of shares issued.	JV Company (CCPL) will issue equity shares to both the promoters at face value of Rs.10/- per share in a phased manner.
8.	Any other disclosures related to such agreements:	
i)	Details of nominee on the Board of Directors of the listed entity.	Dr. Rajiv Kumar Gupta, IAS, Managing Director of GNFC or his nominee will be appointed as Chairman on the Board of JV Company (CCPL), once the CCPL's equity is reorganized in terms of JV Agreement.
ii)	Potential conflict of interest arising out of such agreements. etc	Nil
9.	In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchanges(s) Name of parties to the agreement Nature of the agreement; Date of execution of the agreement; Details of amendment and impact thereof or reasons of termination and impact thereof.	Not Applicable

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