MEGHMANI
ORGANICS LIMITED

CORPORATE OFFICE : "MEGHMANI HOUSE", SHREE NIVAS SOCIETY, PALDI, AHMEDABAD-380 007 (INDIA)
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06/12/2011

1. The Asst. Vice President
National Stock Exchange of India Limited
"Exchange Plaza", Bandra-Kurla Complex,
Bandra (East)
Mumbai 400 051

Singapore Exchange Securities Trading Limited
Shenton Way,
SGX Tower 1,
Singapore

2. Mr. Mokashi / Mr. Naresh Pandya,
Bombay Stock Exchange Limited
Floor- 25, P J Tower,
Dalal Street,
Mumbai 400 001

Dear Sir/s

Sub: - **Execution of Primary Joint Venture Agreement of CPVC project in India between Kaneka, Meghmani and Mitsui**

To comply with the requirements of Listing Agreement, we send herewith the Press release on the above subject to be made today i.e. on 06th December, 2011 for the information of the members.

We request you to take the same on record.

Thanking you.

Yours faithfully,
For Meghmani Organics Limited

K D Mehta
Company Secretary

Execution of Primary Joint Venture Agreement of CPVC project in India between Kaneka, Meghmani and Mitsui

On 6th October 2011, Kaneka Corporation ("Kaneka"), Meghmani Organics Limited ("MOL") and Mitsui & Co. ,Ltd. ("Mitsui") entered into an agreement to form a new Joint Venture Company ("JVC") to conduct feasibility study of the construction of Chlorinated Polyvinyl Chloride ("CPVC") production facility in Dahej, Gujarat. The project is aimed to accelerate development of CPVC business in India. The new company, "Trience Speciality Chemicals Pvt. Ltd." (Investment ratio: Kaneka 41%, Meghmani 39%, Mitsui 20%), is scheduled to start manufacturing in 2014 with an initial annual production capacity of 20,000 metric tons, which is expected to be scaled up in relatively early stages of production. Total investment amount including the one to be scaled up in relatively early stages of production will be around US$120 million.

Kaneka has been a pioneer in the CPVC business in Japan, USA and other Asian countries for years, and has CPVC plants both in Japan and in USA (Kaneka Texas Corporation since 2008) with its total global capacity reaching 46,000 metric tons per year.

CPVC is being used as the raw material for hot water pipe, Fire Sprinkler pipe, industrial pipe and etc, and its demand has been growing globally. Especially in India, Galvanized Iron pipe has been replaced by CPVC pipe in these fields, and such trend has been accelerating in recent years. To grasp such market opportunity, Kaneka India Pvt. Ltd was established in 2010, and Kaneka has been seeking for a chance to build a CPVC plant in India.

MOL was established in 1986 and is an Indian company listed in Singapore and The National Stock Exchange (NSE), India. MOL is a manufacturer of Agrichemicals, Pigment and Other speciality chemical products. MOL operates an electrolysis plant named Meghmani Finechem Limited (MFL) in Dahej, Gujarat, and therefore chlorine produced by MFL is planned to be procured by Trience for its CPVC production.

Mitsui is a Japan based international trading & investment company. Mitsui has been cultivating CPVC business globally together with Kaneka for years, and has been focusing on entering into a CPVC manufacturing project in India. Mitsui will handle raw material PVC procurement, and will play a key role in CPVC sales and marketing in Indian market.

<Company Details of Kaneka>

- Company name: Kaneka Corporation
- Business: Chemicals, Functional Plastics, Expandable Plastics and Products, Foodstuffs Products, Life Science Products, Electronic Products and Synthetic Fibers
- Capital: 33,046 million yen
- Established: 1949
- Head office: Osaka,Japan
- Turnover: 30,000 crores INR
- Representative: Kimikazu Sugawara

<Company Details of MOL>
- Company name: Meghmani Organics Limited
- Business: Manufacturing and sales of Pesticides, Pigments, and Speciality chemicals
- Capital: 250 million rupees
- Established: 1986
- Head office: Gujarat, India
- Turnover: 900 crores INR
- Representative: Jayanti M. Patel, Ashish N. Soparkar, Natu M. Patel, Ramesh M. Patel, Anand I. Patel
- For more information, visit http://www.meghmani.com

<Company Details of Mitsui>
- Company name : Mitsui & Co.,Ltd.
- One of the most diversified and comprehensive trading, investment and service enterprises in the world, with 154 offices in 65 counties as of Nov, 2011.
- Utilizing the global operating locations, network and information resources, Mitsui is multilaterally pursuing business that ranges from product sales, worldwide logistics and financing, through to the development of major international infrastructure and other projects in the following fields, Iron & Steel Products, Mineral & Metal Resources , Infrastructure Projects ,Motor Vehicles, Marine & Aerospace, Chemicals, Energy, Foods & Retail, Consumer Services, Information, Electronics and Telecommunications, Financial Markets and Transportation Logistics. For more information, visit http://www.mitsui.co.jp/en/index.html
- Head office : Tokyo, Japan
- Turnover: 280,000 crores INR
- Representative : Masami Iijima

<Company Details of New Company>
- Company name: Trience Speciality Chemicals Pvt.Ltd.
- Business: Manufacturing and sales of CPVC resin
- Capital: 100 million rupees
- Established: December 2011 (scheduled)
- Head office: Gujarat, India
- Representative: Isao Otsu, Jayanti M. Patel , Hitoshi Araki

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