

NACL Industries Limited

(formerly known as 'Nagarjuna Agrichem Limited')



Ref: NACL/SE/2019-20

06th May, 2019

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: Intimation regarding the execution of a Contract Manufacturing Agreement with M/s.UPL Limited pursuant to Regulation 30 of SEBI (LODR) Regulations – reg.

Ref: Stock Code: 524709 - Trading Symbol: NACLIND

This is to inform that the Company (i.e M/s. NACL Industries Limited) entered into a long term Contract Manufacturing Agreement ("CMA") with M/s. UPL Ltd. ('UPL') for manufacturing advance agrochemical intermediates at Company's Srikakulam Technical Plant.

The prescribed details of the CMA, in accordance with the SEBI Circular bearing reference no. CIR/CFD/CMD/4/2015 dated 9th September, 2015, is appended at Annexure I hereto.

Please take the same on record and disseminate.

Thanking you,

for **NACL Industries Limited**

Satish Kumar Subudhi

Company Secretary & Head-Legal

Regd. Office : Plot No. 12-A, 'C' Block, Lakshmi Towers, No. 8-2-248/1/7/78, 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 : L24219TG1986PLC016607

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

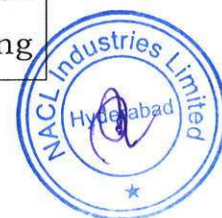
R&D Centre :

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

Annexure I

Details of Contract Manufacturing Agreement ("CMA") entered into by the Company:

S. No.	Particulars	Information
1)	Name of party(ies) with whom the agreement is entered.	UPL Limited (UPL)
2)	Purpose of entering into the agreement.	The purpose of CMA is for manufacturing intermediates at Company's Srikakulam Technical Plant.
3)	Size of the agreement.	Contract value of Rs. 75 Crores per annum (approximately). Tenure of CMA: Initial period of six years, which can be renewed for further period on mutually agreed terms.
4)	Shareholding, if any, in the entity with whom the agreement is executed	Nil
5)	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.	The significant terms of the agreement are as follows: 1) The quantities envisaged for the intermediates are 3,600 MTs per annum. 2) It is a Tolling arrangement, wherein UPL shall provide key raw materials and packing materials to NACL. 3) NACL will bill the Contract Manufacturing Price (CMP) (i.e. Conversion Cost plus Margin). Approximate billable value is about Rs.75 crores per annum. 4) NACL Capex: a) NACL proposing to add a new block (no. 7) specifically for manufacturing

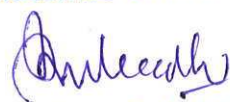


S. No.	Particulars	Information
		these intermediates with an outlay of about Rs. 60 Crores. b) The production blocks to be dedicated for manufacturing the aforesaid intermediates exclusively for UPL. 5) The commercial production of intermediates will commence from September, 2019
6)	Whether the said parties are related to promoter / promoter group / group companies in any manner. If yes, nature of relationship.	No.
7)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length".	No.
8)	In case of issuance of shares to the parties, details of issue price, class of shares issued	Not applicable
9)	in case of loan agreements, details of lender, nature of the loan, total amount of loan granted, total amount outstanding, date of	Not applicable



S. No.	Particulars	Information
	execution of the loan agreement/ sanction letter, details of the security provided to the lenders for such loan	
10)	any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc;	Not applicable
11)	in case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): i. name of parties to the agreement ; ii. nature of the agreement; iii. date of execution of the agreement; iv. details of amendment and impact thereof or reasons of termination and impact thereof.	Not applicable

For NACL Industries Limited


 Satish Kumar Subudhi
 Company Secretary & Head-Legal