



KANORIA CHEMICALS & INDUSTRIES LIMITED



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KC-13/

24th October, 2013

The Manager, Listing Department
National Stock Exchange of India Limited
"Exchange Plaza", 5th floor,
Plot No.C/1, "G" Block, Bandra Kurla Complex,
Bandra (E),
Mumbai-400051

Symbol: KANORICHEM

The DCS - CRD
Bombay Stock Exchange Limited
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort,
Mumbai- 400001

Security Code No.: 506525

Dear Sir,

Sub.: Information under Clause 36 of the Listing Agreement

In compliance with Clause 36 of the Listing Agreement, this is to inform you that the Company has signed a non-binding Memorandum of Understanding (MOU) with Momentive Specialty Chemicals Inc., USA, with the aim of forming a Joint Venture (JV), for manufacture of specialty Phenolic Resins, Formaldehyde and Hexamine in India.

A Press Release in this regard is attached herewith.

Thanking you,

Yours sincerely,
For Kanoria Chemicals & Industries Limited

(N. K. Sethia)
Company Secretary

Encl.: as above

Corporate Office :

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Kanoria Chemicals & Industries Limited

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Press Release

For immediate publication

Kanoria Chemicals signs MoU with Momentive Specialty Chemicals Inc.

New Delhi, 24th October 2013: Kanoria Chemicals & Industries Limited (KCI) signed a non-binding Memorandum of Understanding (MoU) with Momentive Specialty Chemicals Inc. (Momentive Specialty Chemicals) with the aim of forming a Joint Venture (JV) for manufacture and sale of specialty phenolic resins, Formaldehyde and Hexamine.

The JV Company, as per the MOU, will construct a new phenolic resin plant at KCI's existing production facility at Vishakhapatnam, Andhra Pradesh. In addition, for a cash consideration, KCI would transfer its currently existing manufacturing facility in Visakhapatnam to the proposed JV, while Momentive Specialty Chemicals would provide technology supporting its specialty phenolic resins, Formaldehyde and Hexamine businesses, as well as its current business in India, to the JV. It is envisioned that both parties would have equal (50%) ownership of the JV. The companies would work to identify and evaluate additional growth opportunities for specialty chemicals in such vertical markets as automotive, industrial and construction.

"The end markets for specialty phenolics and Formaldehyde continues to grow rapidly in India and the proposed JV would leverage the proven approach of combining technology and application development with world-class manufacturing expertise", said R.V. Kanoria, Chairman & Managing Director, Kanoria Chemicals & Industries Limited.

"We are pleased to have the opportunity to partner with KCI, a leading manufacturer of chemical intermediates in India", said Craig O. Morrison, Chairman, President and CEO, Momentive Specialty Chemicals Inc. "India is a critical market for specialty chemicals and the MoU represents another example of our commitment to strategically invest in the region with our strategic JV partner".

As the market leader for Formaldehyde and Hexamine in India, KCI brings extensive knowledge of the Indian market. Momentive Specialty Chemicals is the global leader in thermoset resins with facilities in over 30 countries, and brings significant technological expertise and international exposure.

About Kanoria Chemicals & Industries Limited

Kanoria Chemicals & Industries Limited (KCI) (BSE: 506525; NSE: KANORICHEM) is a leading manufacturer of chemical intermediates in India. KCI is a major player in organic chemicals with manufacturing facilities at Ankleshwar in the state of Gujarat, which manufactures Alcohol and Alcohol based intermediates; and at Vishakhapatnam in the state of Andhra Pradesh, which manufactures Formaldehyde and Hexamine. KCI enjoys leadership position in India for Pentaerythritol, Formaldehyde and Hexamine. The company has diversified in the renewable energy sector and has set up a 5 MW grid-interactive solar power plant near Jodhpur in the state of Rajasthan. KCI thru its subsidiaries is also engaged in designing, engineering and manufacturing electronic and mechatronic modules and control devices for the automotive, consumer goods, power tool



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electronics and building automation industries in Switzerland and Czech Republic. Another subsidiary of KCI is currently setting up a Denim manufacturing plant in Ethiopia, Africa. KCI has strong corporate governance and social responsibility practices that have been widely recognized and have won the company several awards. More information about the company is available at www.kanoriachem.com

About Momentive Specialty Chemicals Inc.

Based in Columbus, Ohio, Momentive Specialty Chemicals Inc. (formerly known as Hexion Specialty Chemicals, Inc.) is the global leader in thermoset resins. Momentive Specialty Chemicals Inc. serves the global wood and industrial markets through a broad range of thermoset technologies, specialty products and technical support for customers in a diverse range of applications and industries. Momentive Specialty Chemicals Inc. is an indirect wholly owned subsidiary of Momentive Performance Materials Holdings LLC.

About Momentive

Momentive Performance Materials Holdings LLC ("Momentive") is the ultimate parent company of Momentive Performance Materials Inc. and Momentive Specialty Chemicals Inc. Momentive is a global leader in specialty chemicals and materials, with a broad range of advanced specialty products that help industrial and consumer companies support and improve everyday life. Its technology portfolio delivers tailored solutions to meet the diverse needs of its customers around the world. Momentive was formed in October 2010 through the combination of entities that indirectly owned Momentive Performance Materials Inc. and Hexion Specialty Chemicals Inc. The capital structures and legal entity structures of both Momentive Performance Materials Inc. and Momentive Specialty Chemicals Inc. (formerly known as Hexion Specialty Chemicals, Inc.), and their respective subsidiaries and direct parent companies, remain separate. Momentive Performance Materials Inc. and Momentive Specialty Chemicals Inc. file separate financial and other reports with the Securities and Exchange Commission. Momentive is controlled by investment funds affiliated with Apollo Global Management, LLC. Additional information about Momentive and its products is available at www.momentive.com.

For further information please contact:

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