

## **Policy for transfer of Equity Shares**

NCTL Board at its 50<sup>th</sup> Meeting held on 20/3/2009 at Udyog Bhavan, Gandhinagar has taken strategic decision on financial structure, which is as under:

### **Transfer of Equity Shares:**

The equity shares allotted to member industries are transferable in the following situations.

- a. In case of amalgamation / merger of member industries with other member industry.
- b. In case of purchase of whole manufacturing unit/ division to which separate equity shares are attached, based on Sale/Purchase Agreement
- c. In case of partial closure of manufacturing unit / division or surplus CCA effluent quantity compare to requirement.

The equity shares can be transferable subject to the following policies:

- NCTL shall not purchase/ buy back equity shares.
- The transfer should not be claimed as a "Matter of Right" but could be allowed as "Matter of Grace."
- A written request for transfer of equity shares must be presented to NCTL by transferor, along with necessary supporting papers.
- Transferor has to obtain its license/ permission/ consent altered/ modified to mention the reduced water consumption and accordingly effluent discharge quantity from concerned authority. (GPCB/ CPCB/ MOEF)
- NCTL will suggest the name of member industry to the proposed transferor who is willing to purchase equity shares. For this, NCTL will follow a policy of priority on waiting list and importance of the industry.
- The equity shares can be purchased by the purchaser at par i.e. based on face value/ nominal value of shares.
- In case, where the proposed transferee accept partial equity holding then for balance shares another willing member industry shall be referred, if available.
- NCTL will reduce the booked effluent quantity in the same proportion of equity transfer, to match with the remaining equity holding of transferor.