



BODAL CHEMICALS LTD.

(GOVT. OF INDIA RECOGNISED EXPORT HOUSE)

CIN : L24110GJ1986PLC009003

Registered Office : Plot No. 123/124, Phase-1, G.I.D.C., Vatva, AHMEDABAD-382 445. INDIA

Phone : 0091 79 2583 5437, 2583 4223, 2583 6051, 2583 1684 Fax : 0091 79 2583 6052, 2589 2988

E-mail : bodal@bodal.com

Website : www.bodal.com



By e-mail/courier

Sec/16-17/51

Date: 08-07-2016

To,
Charmi Dharod
Assistant Manager,
Listing Compliance,
National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E), Mumbai -400051
NSE Code: BODALCHEM

Dear Sir/ Madam,

Sub : Clarification

Ref: your E-mail dated 08-07-2016 9.32 A.M.

We are in receipt of your e-mail with above said reference, asking for the clarification on the points which are mentioned in your mail with regards to the outcome of the Board meeting submitted by the company vide letter number Sec/16-17/50, dtd. 05-07-2016.

With reference to this we hereby submit our clarification as follows:

1. **Existing Capacity utilization** : During the year ended 31-03-2016, company has utilized 75% of capacity of the Dyestuff plants of the Company.

In this, we want to more clarify that, the production of Dyestuff (Powder) is on batch basis system and due to this batch basis system the, maximum utilization of capacity is possible upto 80 to 85% for Dyestuff plant of the Company.

2. **Mode of Financing** : Company has already disclose in its outcome, as mentioned above, the cost of Capex is about Rs.28.00 crores and the capex will be funded by the company from its internal accruals only.

Further to more clarify the internal accruals of the company, we hereby provide the Cash profit of the company for the year ended 31-03-2016 is of Rs.116.21 crores. Hence it seems that company will able to provide funds for above said capex from its internal accruals.





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3. **Rationale** : Company has its backward integration and captive consumption process and company's production of dye intermediate shall be utilized for the production of the dyestuff and it will be beneficial for the company and so company has decided to enhance its capacity of Dyestuff plant.

Thanking You,

Yours faithfully,

For, **BODAL CHEMICALS LTD.**

Ashutosh B. Bhatt
Company Secretary

