

CCAL
CHEMFAB ALKALIS LIMITED

CAL/SECL/2016-17

December 20, 2016

The Manager,
Listing Department
National Stock Exchange of India Limited
"Exchange Plaza"
Bandra - Kurla Complex, Bandra (E)
Mumbai - 400 051

Sub: Intimation of Revision in Credit Rating under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Reply to Clarification Sought - reg.

Ref: 1) NSE Symbol - CHEMFALKAL

2) Our letter No.CAL/SECL/2016-17 dated 19th December 2016 & Your e-mail dated 19th December 2016

We refer to our letter no.CAL/SECL/2016-17 dated 19th December 2016 regarding Intimation of Revision in Credit Rating under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and your e-mail dated 19th December 2016 seeking clarification on reasons for downward rating.

In this regard, we wish to inform you that the short term credit rating has been downgraded by one notch point due to the following reason as given by the credit rating agency:

"The current rating action reflects partial weakening of Chemfab group's liquidity strength marked by reduction in cash and equivalents, utilized towards repayment of debt. While the group's cash accruals have increased significantly for the six months through September 2016 driven by healthy revenue growth and profitability improvement in CAL, CRISIL believes that generation of liquid surpluses would be limited by the scheduled term debt repayments and incremental working capital requirements."

Kindly take the above information on record.

Thanking You,

Yours faithfully,

For **CHEMFAB ALKALIS LIMITED**



G Somasundaram
Company Secretary



Regn. No. OHS 66226 / EMS 71746
An OHSAS 18001 and ISO 14001 Certified Company

CIN No.: L24297TN1983PLC072409

Member - Dr. Rao's Group of Companies

Regd. Off: 'TEAM House', GST Road, Vandalur, Chennai - 600 048, India.

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