

MEGHMANI ORGANICS LIMITED



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September 9, 2019

To, National Stock Exchange of India Limited "Exchange Plaza", Bandra-Kurla Complex, Bandra (East) Mumbai 400 051 SCRIP CODE: MEGH	To, BSE Limited Floor- 25, P J Tower, Dalal Street, Mumbai 400 001 SCRIP CODE: 532865
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Dear Sir/s

**SUB:- MEGHMANI FINECHEM LIMITED (MFL) MATERIAL SUBSIDIARY OF
MEGHMANI ORGANICS LIMITED (MOL) SETTING UP OF PROJECT OF
EPICHLOROHYDRIN.**

Meghmani Finechem Limited (MFL), is a material subsidiary of Meghmani Organics Limited (MOL) in which MOL holds 57% of Equity Shares. MFL has decided to foray into project of Epichlorohydrin having annual capacity of 50,000 tones which will be based on TechnipFMC's EPICEROL® technology.

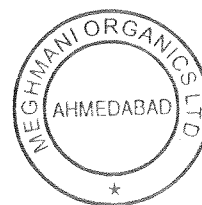
The brief detail of project is attached herewith.

We request you to take the above on record.

Thanking you.

**Yours faithfully,
For Meghmani Organics Limited**

**K D Mehta
Company Secretary**



Singapore Exchange Securities Trading Limited – Singapore

Encl: as above



MEGHMANI FINECHEM LIMITED

A LEAP TOWARDS VALUE ADDITION

Meghmani Finechem Ltd. - a Flagship Company of Meghmani Group has decided to foray into and would like to announce setting up of project of Epichlorohydrin, capacity 50,000 tonnes per annum which will be based on TechnipFMC's EPICEROL® technology.

Epicerol® technology is based on glycerine as feed stock which is obtained from 100% renewable resources. This proven technology is of great interest to downstream users who are concerned about a cost-effective production route whilst taking advantage of an abundant renewable feedstock to reduce their carbon footprint. Project will be set at Chlor Alkali and Derivatives Complex, Dahej.

The project will be setup with Capex of around **Rs. 275 Cr.** and is expected to generate revenue of approximately **Rs.460 Cr** per annum at optimum operating rate. This move is a step forward in the strategy of integration and value addition. Meghmani from **June 2021 (Q2)**, will meet the growing demand of ECH in domestic market from their Dahej plant. The company has already moved forward in growth oriented directions since last five years and have already setup plants of Caustic Potash and Chloromethanes, further project in advance stage is manufacturing of Hydrogen Peroxide which is likely to go on stream in current financial year **2019-20**.

Meghmani Finechem Ltd. will be the first to manufacture Epichlorohydrin in India. Currently, this product is imported entirely for the domestic consumption. Once MFL plant goes on stream, the import will reduce and it will save valuable FOREX. This will also contribute in "MAKE IN INDIA" initiative launched by our visionary Honourable Prime Minister.

The plant will be set to serve the rapidly growing Epichlorohydrin market in India. Epichlorohydrin is an essential feedstock for the production of epoxy resins, which is increasingly used in various applications including corrosion protection coatings in Industrial, automotive, packaging. Beside protective coatings, Epoxy resin is used in Composites which has major application in Aerospace, Wind mill and automotive Industries. It is also used in adhesive, elastomers, paper and textile industry as sizing agents and other specialty uses.

Meghmani Finechem Ltd. is continuously striving to increase its presence with integration in-house so to enlarge products basket along with conservation of Environment, Safety and Health - in one of the most trusted ways, the company can consolidate in Economy of Scale and value addition to ensure continual growth.

