



Bodal Chemicals Ltd.
COLOURS. INTEGRATION. INNOVATION.

Sec/16-17/251
Date: 20-03-2017

By online upload

To,
The General Manager,
Department of Corporate Services
BSE Ltd.
1st Floor, New Trading Ring,
Rotunda Building, P. J Tower,
Dalal Street, Fort, Mumbai-400 001
BSE Code: 524370

To,
The General Manager,
National Stock Exchange of India Ltd.
Exchange Plaza,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra(E), Mumbai-400 051.
NSE Code: BODALCHEM

Dear Sir / Madam,

Sub: Outcome of Board Meeting of Bodal Chemicals Limited - Intimation of material outcome: Equity investment in S P S Processors Pvt. Ltd

A meeting of the board of Directors ("the board") of Bodal Chemicals Limited ("BCL") was held on Monday, March 20, 2017. The board considered and approved the equity investment of Rs 41 million in S P S Processors Pvt. Ltd., a company engaged in manufacturing of dye intermediates. BCL will hold 70% equity stake in S P S Processors Pvt. Ltd. after this investment. BCL will also provide unsecured loan about Rs.450 million to S P S Processors Pvt. Ltd. to make it debt free Company by retiring its existing total debt and also for expansion of its manufacturing capacities.

S P S Processors Pvt. Ltd. has manufacturing plant located at Kosi, Uttar Pradesh, India having running operational capacity to produce 250 tons per Month (TPM) of H-Acid, a key dye intermediate. The said plant is a "ZERO DISCHARGE" unit and only about one and half year old.

S P S Processors Pvt. Ltd. also has all necessary permissions to manufacture Vinyl Sulphone (VS-another key dye intermediate) as well as dyestuff, at the same plant. The board also considered and approved a plan to build (at to S P S Processors Pvt. Ltd.) a 350-TPM VS plant at the cost of about Rs.100 million. As most of the basic infrastructure is ready at the existing plant of S P S Processors Pvt. Ltd., the BCL management expects new VS plant to be operational by second quarter of FY2018.

This investment will help BCL to increase its manufacturing capacity of dyes intermediates by 25% and consolidate its position in the local & global markets of dye intermediates and dyestuff. This transaction will be entirely funded through internal accruals and is targeted to close before 31-03-2017.



HEAD OFFICE:

Plot No. 123-124, Phase-1,
G.I.D.C, Vatva, Ahmedabad- 382 445.,
Gujarat, India.

www.bodal.com

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This acquisition is not a related party transaction and the promoters/promoter group/group companies do not have any interest in S P S Processors Pvt. Ltd.


The Board Meeting was started on 12.20 p.m. and Concluded at 1.40 p.m.

This is for your information and record please.

Thanking You,

Yours faithfully,

For, BODAL CHEMICALS LTD.


Ashutosh B. Bhatt
Company Secretary



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