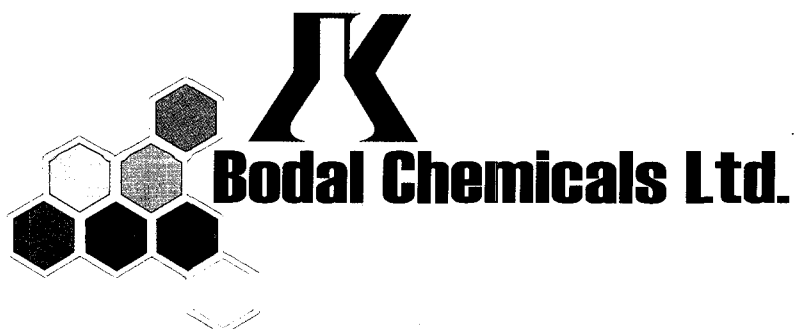
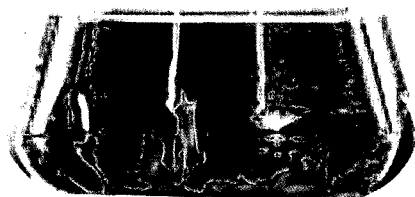
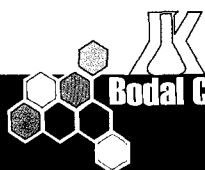


*We believe in excellence*

2011  
7/3

# Annual Report 2008-2009



**Bodal Chemicals Ltd.****Annual Report 2008-2009****CORPORATE INFORMATION****CORPORATE INFORMATION****BOARD OF DIRECTORS****Suresh J. Patel***Chairman & Managing Director***Bhavin S. Patel***Executive Director***Ankit S. Patel***Executive Director***Ramesh P. Patel***Executive Director***Surendra N. Shah***Independent Director***Sunil K. Mehta***Independent Director***Hardik M. Shah***Independent Director***Bipin R. Patel***Independent Director***COMPANY SECRETARY**

Chirag G. Shah

**REGISTERED OFFICE**Plot No.123 & 124, Phase-I, G.I.D.C. Estate,  
Vatva, Ahmedabad-382 445.**AUDITORS****Mayank Shah & Associates.,***Chartered Accountants,*706-708-A, Mahakant, Opp. V.S. Hospital,  
Ellisbridge, Ahmedabad-380 006**BANKERS**

Union Bank of India

Bank of India

**REGISTRAR & TRANSFER AGENT****Pinnacle Shares Registry Pvt. Ltd.**Nr. Ashok Mills, Naroda Road,  
Ahmedabad-380 025**AUDIT COMMITTEE****Surendra N. Shah** *Chairman***Hardik M. Shah** *Member***Bipin R. Patel** *Member***REMUNERATION COMMITTEE****Surendra N. Shah** *Chairman***Hardik M. Shah** *Member***Bipin R. Patel** *Member***SHAREHOLDERS GRIEVANCES COMMITTEE****Surendra N. Shah** *Chairman***Hardik M. Shah** *Member***Bipin R. Patel** *Member***Contents**

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Bhavin S. Patel, E.D., receiving Gold award from  
Hon. Minister Jyotiraditya Scindia, Government of India



## BODAL CHEMICALS LTD.

Reg. Office : Plot No. 123 & 124, Phase-I, G.I.D.C., Vatva, Ahmedabad-382 445.

### Notice

**Notice is hereby** given that the 23<sup>rd</sup> Annual General Meeting of the Members of **BODAL CHEMICALS LTD.** will be held on **Wednesday, the 30<sup>th</sup> September, 2009 at 5.30 P.M.** at ATMA, Auditorium, Opp. Old RBI Office, Ashram Road, Ahmedabad - 380 009 to transact the following businesses :

#### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account of the Company for the year ended on that date and reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Surendra N. Shah, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Sunil K. Mehta, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

#### SPECIAL BUSINESS :

5. **To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution :**

**"RESOLVED THAT** pursuant to Sections 198, 269, 309, 310, 311, 316, 317 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, (hereinafter referred as "the Act"), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) subject to such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, Mr. Suresh J. Patel be and is hereby re-appointed as Chairman & Managing Director of the company for a period of three (3) years with effect from 13<sup>th</sup> May, 2009 on the terms and conditions including remuneration and perquisites, as are set out in the agreement entered into between the Company and Mr. Suresh J. Patel and as stated in the Explanatory Statement annexed to this notice."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to vary or increase the remuneration and perquisites including the monetary value thereof as specified in the said Agreement to the extent the Board of Directors may consider appropriate and as may be permitted or authorized in accordance with any provision under the Act for the time being in force

provided, however, that the remuneration payable to Mr. Suresh J. Patel shall be within the limits set out in the said Act including the said Schedule XIII to the Act or any amendments thereto or any modification or statutory re-enactment thereof and/or any Rules or Regulations framed thereunder and the terms of the aforesaid Agreement between the Company and Mr. Suresh J. Patel shall be suitably modified to give effect to such variation or increase as the case may be."

**"RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year of the Company during the term of Office of Mr. Suresh J. Patel as Chairman & Managing Director, the remuneration and perquisites set out in the aforesaid Agreement be paid or granted to Mr. Suresh J. Patel as minimum remuneration, provided that in any event the total remuneration by way of salary, perquisites and other allowances shall not exceed the ceiling provided in Schedule-XIII to the said Act, and such other amount or perquisites as provided in the said Schedule XIII as may be amended from time to time or any equivalent statutory re-enactment thereof for the time being in force."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution."

6. **To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution :**

**"RESOLVED THAT** pursuant to Sections 198, 269, 309, 310, 311, 316, 317 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, (hereinafter referred as "the Act"), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) subject to such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, Mr. Bhavin S. Patel be and is hereby re-appointed as an Executive Director with the change of designation from Whole Time Director to Executive Director of the company for a period of three (3) years with effect from 13<sup>th</sup> May, 2009 on the terms and conditions including remuneration and perquisites, as are set out in the agreement entered into between the Company and Mr. Bhavin S. Patel and as stated in the Explanatory Statement annexed to this notice."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to vary or increase the remuneration and perquisites including the monetary value thereof as specified in the said Agreement to the extent the Board of Directors may consider appropriate and as may be permitted or authorized in accordance with any provision under the Act for the time being in force provided, however, that the remuneration payable to Mr. Bhavin S. Patel shall be within the limits set out in the said Act including the said Schedule XIII to the Act or any amendments thereto or any modification or statutory re-enactment thereof and/or any Rules or Regulations framed thereunder and the terms of the aforesaid Agreement between the Company and Mr. Bhavin S. Patel shall be suitably modified to give effect to such variation or increase as the case may be."

**"RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year of the Company during the term of Office of Mr. Bhavin S. Patel as an Executive Director, the remuneration and perquisites set out in the aforesaid Agreement be paid or granted to Mr. Bhavin S. Patel as minimum remuneration, provided that in any event the total remuneration by way of salary, perquisites and other allowances shall not exceed the ceiling provided in Schedule-XIII to the said Act, and such other amount or perquisites as provided in the said Schedule XIII as may be amended from time to time or any equivalent statutory re-enactment thereof for the time being in force."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution."

**7. To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution :**

**"RESOLVED THAT** pursuant to Sections 198, 269, 309, 310, 311, 316, 317 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, (hereinafter referred as "the Act"), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) subject to such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, Mr. Ramesh P. Patel be and is hereby re-appointed as an Executive Director with the change of designation from Whole Time Director to Executive Director of the company for a period of three (3) years with effect from 13<sup>th</sup> May, 2009 on the terms and conditions including remuneration and perquisites, as are set out in the agreement entered into between the Company and Mr. Ramesh P. Patel and as stated in the Explanatory Statement annexed to this notice."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to vary or increase the remuneration and perquisites including the monetary value thereof as specified in the said Agreement to the extent the Board of Directors may consider appropriate and as may be permitted or authorized in accordance with any provision under the Act for the time being in force provided, however, that the remuneration payable to Mr. Ramesh P. Patel shall be within the limits set out in the said Act including the said Schedule XIII to the Act or any amendments thereto or any modification or statutory re-enactment thereof and/or any Rules or Regulations framed thereunder and the terms of the aforesaid Agreement between the Company and Mr. Ramesh P. Patel shall be suitably modified to give effect to such variation or increase as the case may be."

**"RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year of the Company during the term of Office of Mr. Ramesh P. Patel as Executive Director, the remuneration and perquisites set out in the aforesaid Agreement be paid or granted to Mr. Ramesh P. Patel as minimum remuneration, provided that in any event the total remuneration by way of salary, perquisites and other allowances shall not exceed the ceiling provided in Schedule-XIII to the said Act, and such other amount or perquisites as provided in the said Schedule XIII as may be amended from time to time or any equivalent statutory re-enactment thereof for the time being in force."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution."

**8. To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution :**

**"RESOLVED THAT,** pursuant to Section 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory amendments thereto or re-enactment thereof, for the time being in force) and pursuant to the provisions of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines 2000 (SEBI (DIP) Guidelines) as in force and subject to all other applicable rules, regulations and guidelines of SEBI, the applicable provisions of Foreign Exchange Management Act, 1999 (FEMA), Foreign Exchange Management (Transfer or issue of Security by a Person Resident Outside India) Regulations, 2000 and the enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with Stock Exchange(s) where the shares of the company is/are listed, and subject to requisite approvals, consents, permissions and / or sanctions of Securities and Exchange Board of India (SEBI), Stock Exchange(s), Reserve Bank of India (RBI), Foreign Investment Promotion Board (FIPB), Department



of Industrial Policy and Promotion(DIPP), Ministry of Commerce and all other authorities as may be prescribed by any of them while granting such approvals, consents, permissions and / or sanctions agreed by the Board of Directors (hereinafter referred to as the 'Board' which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its power conferred by this resolution), the consent and approval of the company be and is hereby accorded and the Board be authorised to create, offer, issue and allot, from time to time in one or more tranches, whether rupee denominated or denominated in foreign currency, to any eligible persons, including to Qualified Institutional Buyers (QIBs) (including Foreign Institutional Investors) by way of qualified Institutional Placement (QIP) under chapter XIII-A of SEBI (DIP) guidelines / in the course of one or more public or private offerings in domestic and / or one or more international markets with or without a green shoe option, securities including equity shares and / or equity shares through depository receipts including FCCB and / or any instruments or securities, representing either equity shares and / or convertible securities linked to equity shares, convertible debentures with or without detachable warrants with right exercisable by warrant holders to convert or subscribe to equity shares, (All of which are hereinafter collectively referred to as 'Securities') for an amount not exceeding Rs.60 crore (Rupees Sixty Crore) or equivalent thereof, in one or more foreign currencies, to eligible investors (whether residents and / or non-residents and / or institutions/ mutual funds/ banks and / or incorporated bodies, and / or individuals and / or trustees and whether or not such investors are members of the Company) through a placement document and / or such other documents /writings / offering circulars / memorandum and in such manner and on such price/premium, terms and conditions as may be determined by the Board in accordance with the SEBI (DIP) Guidelines or other provisions of the law as may be prevailing at the time in consultation with the Book Running Lead Managers and / or other advisors or otherwise, on such terms and conditions as the Board may in its absolute discretion, decide at the time of issue of Securities."

**"RESOLVED FURTHER THAT** the equity shares allotted in terms of this resolution shall rank pari passu in all respects with the existing equity shares of the company provided that the amount to be raised through the securities mentioned under the resolution shall not exceed Rs. 60 Crore (Rupees Sixty Crore only)."

**"RESOLVED FURTHER THAT** the securities issued in the aforesaid manner be listed, when issued, at the Bombay Stock Exchange (BSE) and any other stock exchange(s) as the Board may determine."

**"RESOLVED FURTHER THAT** the relevant date for the determination of applicable price for the issue of the Securities shall be as per the guidelines prescribed by

SEBI, RBI, GOI through its various departments or any other regulator and the pricing of any equity shares issued upon the conversion of the Securities shall be made subject to and in compliance with the applicable rules and regulations and such price shall be subject to appropriate adjustments in the applicable rules / guidelines / statutory provisions."

**"RESOLVED FURTHER THAT** in case Board opts for Qualified Institutional Placement issue(s) : -

- (i) the relevant date for the determination of minimum applicable price for the issue of the Securities allotted pursuant to a qualified institutions placement, as provided under Chapter XIII-A of the SEBI (DIP) Guidelines, 2000 would be the date(s) of the meeting in which the Board of the Committee or Directors duly authorised by the Board of the company decides to open the proposed issue of securities;
- (ii) the allotment of Securities shall be completed within 12 months from the date of this resolution approving the proposed issue or such other time as may be allowed by SEBI (DIP) Guidelines from time to time."

**"RESOLVED FURTHER THAT** the Securities allotted shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI Guidelines except to the extent and in the manner permitted there under."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to finalise and approve the offering circular / placement document for the proposed issue of the Securities and to authorise any director or directors of the company or any other officer or officers of the Company to sign the above documents for and on behalf of the Company together with the authority to amend, vary or modify the same as such authorised persons may consider necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents and/or authorities as may, in the opinion of such authorised person, be required from time to time, and to arrange for the submission of the offering circular / placement document, and any amendments and supplements thereto with any applicable stock exchange(s) (whether in India or abroad), government and regulatory authorities, institutions or bodies, as may be required."

**"RESOLVED FURTHER THAT** the Securities issued in foreign markets shall be treated to have been issued abroad and / or in the international market and / or at the place of issue of the securities in the international market and may be governed by applicable foreign laws."

**"RESOLVED FURTHER THAT** subject to compliance with applicable laws and regulations, the Board of Directors of the company be and are hereby authorised to use the net proceeds of the issues either directly or through

investment made in its Subsidiaries or a combination of both towards business expansion, capital expenditure and working capital requirement, acquisitions, repayment of outstanding loans and for general corporate purposes."

**"RESOLVED FURTHER THAT** in accordance with policies set up by the Board and as permissible under applicable laws and government policies, the Board of Directors of the Company will have flexibility in deploying the proceeds received from the issue, pending utilization for the purposes described above, the Company may use the proceeds to temporarily invest in creditworthy instruments, including money market mutual funds and deposits with banks and corporates. Such investments would be in accordance with the investment policies approved by the Board from time to time."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Board be and is hereby authorised to do all such acts, deeds and things including but not limited to finalization and approval of preliminary and final offer document (s), deciding the form and manner of the issue, including the class of investors to whom the securities are to be issued and allotted, number of securities to be allotted, issue price, face value, premium amount on issue/ conversion of securities, variation of price or period of conversion of securities into equity shares at the option of the Board and/or holders of securities during conversion period, if any, rate of interest, execution of various transactions, documents, creation of mortgage/ charge in accordance with the provisions of Section 293 (1) (a) of the Companies Act, 1956, in respect of any securities as may be required either on pari passu basis or otherwise, it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**"RESOLVED FURTHER THAT** to give effect to the aforesaid resolution, the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or Managing Director or Executive Director(s) or any Director or Directors or Company Secretary or to such other person(s) as the Board may think fit and necessary in its absolute discretion to give effect to the aforesaid resolutions."

By Order of Board of Directors  
For Bodal Chemicals Limited

Place : Ahmedabad  
Date : 29<sup>th</sup> August, 2009.

**Chirag G. Shah**  
Company Secretary

#### NOTES :

1. A member entitled to attend and vote at the Annual General Meeting of the company may appoint a proxy to attend and vote on a poll on his behalf. Proxies in order to be effective must be received at the Registered office of the company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Book of the company will be closed from Saturday, the 26<sup>th</sup> September, 2009 to Wednesday, the 30<sup>th</sup> September, 2009 (both days inclusive) for the purpose of Annual General Meeting of the company.
3. Members are requested to contact for any query related to shares, dividend and other inquiry at following address.  
**M/s. Pinnacle Shares Registry Pvt. Ltd.**  
**Unit : Bodal Chemicals Ltd.**  
Near Asoka Mills, Naroda Road,  
Ahmedabad 380 025.  
Gujarat  
Ph. 079 - 2220 0338 / 2220 0582  
Fax : 079 - 2220 2963  
e-mail : girish.patel@psrpl.com
  - Please Quote folio no. / DP ID & CL. ID for any communication for their shareholding.
  - Bring the copy of Annual Report at the meeting.
4. The copies of relevant documents can be inspected at the Registered office of the Company on any working day between 11.00 a.m. to 1.00 p.m. up to the date of A.G.M.
5. The Company's shares are presently listed at Bombay Stock Exchange Ltd. (BSE). The Company has paid the listing fees to Bombay Stock Exchange for the financial year 2009-10.
6. Members wishing to claim their unclaimed dividend of 2005-06, 2006-07 (Interim as well as Final Dividend) and 2007-08 (Interim as well as Final Dividend), are requested to correspond with Secretarial Department at the Registered office of the Company.
7. The details of Directors seeking appointment / re-appointment at the Annual General Meeting to be held on 30<sup>th</sup> September, 2009 are covered in the Corporate Governance Report.
8. **Any member desiring any clarification/explanation in respect of the information given in this annual report is requested to submit to the company at least 7 days in advance before the meeting so as to enable the management to keep information ready.**

**Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 :**

**Item No : 5,6 & 7.**

The Board of Directors, on the recommendation of the Remuneration Committee, at their meeting held on 13<sup>th</sup> May, 2006 had appointed Mr. Suresh J. Patel as Chairman &

Managing Director, Mr. Bhavin S. Patel and Mr. Ramesh P. Patel as Whole Time Directors of the company for the period of Three (3) years with effect from 13<sup>th</sup> May, 2006 at such remuneration and terms & conditions of appointment as agreed by Board of Directors and subsequently approved by members at Extraordinary General Meeting held on 16<sup>th</sup> June, 2006 in terms of sections 198, 269, 309 and other applicable provisions of the Companies Act, 1956. Their terms of appointment expires after three years of their appointment. Their re-appointments as Chairman & Managing Director and Executive Directors with the change of designation from Whole Time Directors to Executive Directors are permissible in accordance with the provisions of Schedule XIII to the Companies Act, 1956, if their re-appointment is approved by the members in General Meeting.

The Board of Directors, on the recommendation of the Remuneration Committee, at their meeting held on 30<sup>th</sup> June, 2009 has approved re-appointment of Mr. Suresh J. Patel as Chairman & Managing Director, Mr. Bhavin S. Patel and Mr. Ramesh P. Patel as Executive Directors with the change of designation from Whole Time Directors to Executive Directors of the company with effect from 13<sup>th</sup> May, 2009 for a period of three years from the date of appointment.

Mr. Suresh J. Patel is promoter of the company and he is the visionary behind the Company's success story. He has very wide and rich experience in the chemical industry specifically in manufacturing of Dyes and Dyes Intermediates. He is instrumental in the strategic decision-making and production of high quality Dyes and Dyes Intermediates. He has ability to stay ahead of competition and offered maximum price advantage to Customers. It is in the interest of the company to avail his valuable services for the further growth and conduction of affairs and business of the company. The company can retain his precious services by re-appointing him as Chairman & Managing Director of the company for the further period of three (3) years with effect from 13<sup>th</sup> May, 2009 on such terms and conditions as specified in the agreement entered into between the company and Mr. Suresh J. Patel.

Mr. Bhavin S. Patel is part of promoter group of the company. He is elder son of Mr. Suresh J. Patel, promoter of the company. He is young and dynamic personality, who contributed significantly in development of dyestuff business of the company. It is highly beneficial for the company to avail his valuable services for further development of the company by re-appointing him as an Executive Director with the change of designation from Whole Time Director to Executive Director of the company for the further period of three (3) years with effect from 13<sup>th</sup> May, 2009 on such terms and conditions as specified in the agreement entered into between the company and Mr. Bhavin S. Patel.

Mr. Ramesh P. Patel is co-promoter of the company and he has vast experience in marketing and commercial matters and forex market. He has ability to manage affairs of the company in efficient and effective manner. He contributed significantly in the progress of the company. The company can take advantage of his vast experience and valuable services by re-appointing him as an Executive Director with the change of designation from Whole Time Director to Executive Director of the company for the further period of three (3) years with effect from 13<sup>th</sup> May,

2009 on such terms and conditions as specified in the agreement entered into between the company and Mr. Ramesh P. Patel.

The Remuneration Committee and subsequently Board of Directors at their meeting approved the terms and conditions of remuneration payable to all three above said Directors. The terms and conditions of remuneration payable as per agreement executed between the company and above said directors are as specified below:

#### **Basic Salary:**

Rs. 1,00,000/- per month to Mr. Suresh J. Patel, Chairman & Managing Director.

Rs. 50,000/- per month each to

(1) Mr. Bhavin S. Patel, Executive Director and

(2) Mr. Ramesh P. Patel, Executive Director.

#### **Perquisites:**

In addition to Salary, the following perquisites shall be allowed to each of them.

#### **Category A:**

##### **Housing:**

The House Rent allowance will be paid as per the rules of the Company but subject to maximum 50% of Basic Salary.

##### **Gas, Electricity, Water and Furniture:**

The expenses on Gas, Electricity, Water and Furnishing will be as per rules of the Company but subject to maximum 10% of Basic Salary.

##### **Medical Reimbursement:**

Expenses incurred for him and the family subject to ceiling of one month's Salary in a year or three month's salary over a period of three years.

##### **Leave Travel Concession:**

For him and his family once in a year incurred in accordance with any rules Specified by the Company.

##### **Club Fees:**

Fees of club subject to a maximum of two clubs. This will not include Admission and life membership fees.

##### **Personal Accident Insurance:**

Personal Accident Insurance Premium for self.

##### **Medical Insurance Premium:**

For him, his spouse and children in a year, Premium not to exceed Rs.15,000/- per annum.

#### **Category B:**

##### **Contribution to Provident Fund and Superannuation Fund :**

Contribution to Provident Fund, Superannuation fund or annuity fund will not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

**Gratuity:**

Gratuity payable should not exceed half a month's salary for each completed year of service.

**Leave Encashment:**

Leave encashment equivalent to one month's salary calculated on the basis of one month's leave over eleven month's services. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

**Category C:****Car with Driver and Telephone:**

Provision of car with Driver for use on Company's business and telephone, including Mobile phone, at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car with driver for private purpose shall be billed by the Company to them.

Notwithstanding anything mentioned above, where in any financial year during the currency of Directors, the company has no profit or its profits are inadequate, the remuneration will have to be limited to amounts specified in section II of Part II of schedule XIII of the Companies Act, 1956.

The said details are as an abstracts of terms of the agreements for re-appointments of above said Directors of the company.

The said agreement referred to in the resolution is available for inspection by the members at the Registered Office of the company on any working day between 11.00 A.M. and 1.00 P.M. up to the date of the Annual General Meeting.

None of the Directors other than Mr. Suresh J. Patel, himself and Mr. Bhavin S. Patel and Mr. Ankit S. Patel, relatives of him, are interested in the resolution of Item No.5.

None of the Directors other than Mr. Bhavin S. Patel, himself and Mr. Suresh J. Patel and Mr. Ankit S. Patel, relatives of him, are interested in the resolution of Item No.6.

None of the Directors other than Mr. Ramesh P. Patel is interested in the resolution of Item No.7.

The approval of members is required for said re-appointments and payment of remuneration. Your Directors, therefore, recommend special resolutions for approval of the members.

**Item No. 8**

Your Company proposes to raise additional funds to meet its requirement for capital expenditure, expansions, additional working capital requirements, acquisitions, repayment of outstanding loans and other general corporate purposes. In order to augment its resources to facilitate such purposes, the Company proposes to raise fund to the extent of Rs.60 crore (Rupees Sixty Crore only) or its equivalent in any foreign currency as the case may be (inclusive of such premium as may be determined) by way of issuance of Equity Shares of the Company ("Equity Shares") and / or any instruments or Securities representing Equity Shares and / or convertible into Equity Shares (either at the option of the Company or holder thereof) and / or any such instrument or security being either

with or without detachable warrants attached thereto entitling the warrant holder to apply for Equity Shares / instruments or Securities (herein after collectively referred to as the "Securities") in the domestic or international markets.

In case the Board opts for QIP issue(s), the pricing of the Securities to be issued to Qualified Institutional Buyers pursuant to the SEBI DIP Guidelines shall be freely determined subject to such price not being less than the price calculated in accordance with the said guidelines.

The Special Resolution seeks to empower the Board of Directors to issue equity / equity linked securities/ or any other financial instruments as may be deemed appropriate in the best interest of the Company.

The detailed terms and conditions for the issue of Securities will be determined by the Board of Directors in consultation with the Advisors, Merchant Bankers and such Authority/Authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The consent of the Shareholders is being sought pursuant to the provisions of Section 81 (1A) and other applicable provisions of the Companies Act, 1956 and in terms of the provisions of the listing agreement executed by the Company with Stock Exchange(s) where the Equity Shares of the company is / are listed since the resolution involves issue of Equity Shares to persons other than the existing shareholders of the company.

The Equity Shares, which would be allotted, shall rank in all respects pari passu with the existing Equity Shares of the Company.

The issue is proposed to be made to all eligible investors, whether resident and /or non resident and / or institutions/banks and/or incorporated bodies and/or individuals and/or trustees whether or not such investors are members of the company. The primary issuance of securities either through the QIP route or the follow on public offering route is proposed to be made to all eligible investors including Foreign Institutional Investors (FIIs).

For the reasons aforesaid, an enabling resolution is proposed for consideration of the shareholders to give adequate flexibility and discretion to the Board to finalise the terms of the issue of Securities. The Securities issued as per said resolution would be listed on BSE and any other stock exchanges as the board may determine.

The Board of Directors recommends the Special Resolution for the approval of members.

None of the directors of the company is concerned or interested in the above said resolution.

By Order of Board of Directors  
For Bodal Chemicals Limited

Place : Ahmedabad  
Date : 29<sup>th</sup> August, 2009.

**Chirag G. Shah**  
Company Secretary



**Attendance Slip / Proxy Form****BODAL CHEMICALS LTD.**

Reg. Office : Plot No. 123 &amp; 124, Phase-I, G.I.D.C., Vatva, Ahmedabad-382 445.

**ATTENDANCE SLIP**23<sup>rd</sup> ANNUAL GENERAL MEETING – Wednesday, 30<sup>th</sup> September, 2009 at 5.30 P.M.

Folio No./DP ID : \_\_\_\_\_

Client ID : \_\_\_\_\_

No. of shares held : \_\_\_\_\_

I certify that I am a registered equity shareholder / Proxy for the registered equity shareholder of the company. I hereby record my presence at the 23<sup>rd</sup> Annual General Meeting of the Company, held at ATMA, Auditorium, Opp. Old RBI Office, Ashram Road, Ahmedabad-380 009. Gujarat, on Wednesday, 30<sup>th</sup> September, 2009 at 5.30 P.M.

Member's/Proxy's name in BLOCK letters \_\_\_\_\_

Member's/Proxy's Signature \_\_\_\_\_

Note : (Please fill in this Attendance slip and hand it over at the entrance of the meeting hall.)

----- Tear Here -----

**BODAL CHEMICALS LTD.**

Reg. Office : Plot No. 123 &amp; 124, Phase-I, G.I.D.C., Vatva, Ahmedabad-382 445.

**PROXY FORM**23<sup>rd</sup> ANNUAL GENERAL MEETING – Wednesday, 30<sup>th</sup> September, 2009 at 5.30 P.M.

I/We \_\_\_\_\_ of \_\_\_\_\_ of being

a member/members of the above named Company hereby appoint \_\_\_\_\_

of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of

\_\_\_\_\_ in my/our absence to attend and vote for me/us and on my/our behalf at the Annual General

Meeting of the Company to be held Wednesday on 30<sup>th</sup> September, 2009 at 5.30 P.M. and any adjournment thereof.

Signature (s) \_\_\_\_\_

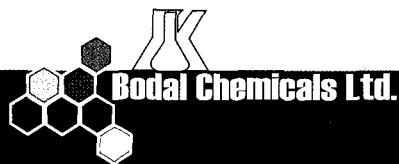
Affix 1 Rupee Revenue Stamp
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Date : \_\_\_\_\_

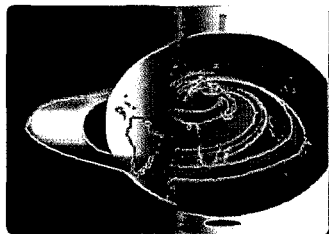
L.F. No. \_\_\_\_\_ DP ID : \_\_\_\_\_ Client ID : \_\_\_\_\_

No of Shares held : \_\_\_\_\_

Notes : The proxy form duly completed should be deposited at the Registered Office of the company before 48 hours of the meeting.



# We have a vision...



*...of becoming a global influence in world  
Dyes & Dyes Intermediates markets.*



*...of creating values for our Stakeholders.*



*...of commitment to Quality of Services & Quality  
of Products for our customers.*

*...of promoting Green Earth, by endeavoring  
to develop lesser and lesser polluting products.*

