

MAYANK SHAH & ASSOCIATES**CHARTERED ACCOUNTANTS**

706/708-A, MAHAKANT, OPP V.S. HOSPITAL, ELLISBRIDGE,
AHMEDABAD - 380 006. PHONE (O) 2657 5642, 2657 9106
E-mail : mayankshah_ca@yahoo.co.in

To,
Board of Directors
BODAL CHEMICALS LIMITED
Plot No. 123-124, GIDC, Vatva,
AHMEDABAD -382 445.

AUDITORS' CERTIFICATE

The Board of Directors of Bodal Chemicals Limited (the proposed Amalgamated Company, hereinafter referred to as BCL or the "Amalgamated Company") at its meeting on 10th March 2016 approved a Scheme of Amalgamation ("Scheme of Amalgamation") with its wholly owned subsidiary, by the name of Bodal Agrotech Limited (BAL or "Amalgamating Company") subject to approvals from the Hon'ble High Court of Gujarat and other approvals as required under Section 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 2013 and Companies Act, 1956.

Although the Appointed Date (being the date with effect from which the Scheme shall, upon being sanctioned by the Hon'ble High Court of Gujarat, be in operation, i.e., the date with effect from which the Amalgamating Company shall stand amalgamated into and with the Amalgamated Company) is 01st April, 2016 and accordingly the pre-merger & post-merger net worth certificate can only be drawn up post such date, we have been requested to provide a certificate for the pre-merger & post-merger net worth of the Amalgamated Company to be determined on the assumption that the Scheme of Amalgamation has been approved by the Hon'ble High Court of Gujarat, and based on financial statements available as on 31st December 2015. Accordingly based on the details outlined in paragraph 1 to 8 below, net worth referred to above has been determined and is indicated in paragraph 8 below.

1. The Scheme of Amalgamation proposes the Appointed Date (being the date with effect from which the Scheme shall, upon being sanctioned by the Hon'ble High Court of Gujarat, be in operation, i.e., the date with effect from which the Amalgamating Company shall stand amalgamated in to and with the Amalgamated Company) to be 01st April, 2016 and the Effective Date to be the date on which all the conditions and matters referred to in Clause 1(e) of the Scheme have been fulfilled.



2. For the purpose of this certificate, we have determined the net worth of the Amalgamated Company as if such amalgamation had been given effect to as of 31st December, 2015. This, however, should not be construed to indicate that the Appointed Date is 31st December, 2015 or that the conditions and matters referred to in Clause 1(e) of the Scheme have been fulfilled as of the date of this certificate.
3. The financial statements of the Amalgamated Company as of 31st December, 2015 have been subjected to limited review by us being the statutory auditor of the company under clause 41 of the listing agreement and the financial statements of the Amalgamating Companies as of 31st December, 2015 have been subjected to the audit by independent firm of Chartered Accountant. These financial statements of the Amalgamated Company and Amalgamating Company have been provided to us by the Amalgamated Company and the Amalgamating Company respectively, and have been relied upon by us.
4. The certificate has been issued at the request of the Amalgamated Company pursuant to the requirement of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. For the limited purposes of this certificate, 'net worth' means the aggregate value of the paid up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, as per Section 2(57) of Companies Act, 2013. The figures for the same have been determined based on the assumption that the Scheme of Amalgamation has taken effect as on 31st December, 2015, the date of latest available financial statements of the Amalgamated Company and Amalgamating Company.
5. The Management of the Company is responsible for the maintenance of proper books of accounts and such other relevant records as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of Internal controls relevant for the preparation of the Statement and drawing up the unaudited financial statements of the Company for the period ended 31st December, 2015.
6. Our responsibility, for the purpose of this certificate, is limited to certifying the particulars contained in the Statement on the basis of the unaudited financial statements of the Company, the Proposed Scheme and other relevant records and documents maintained by the Company and did not include the evaluation of the adherence by the Company with all the applicable guidelines. We conducted our verification in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing Issued by the Institute of Chartered Accountants of India.



7. On the basis of our verification and examination of the Proposed Scheme and according to the information and explanations provided to us by the Management of the Company, we state that we have examined the annexed Statement as prepared by the Company with:

- the unaudited financial statements of BCL for the period ended on 31st December, 2015 as certified by the Management of BCL & Limited review Report of the BCL for the period ended on 31st December, 2015.
- the Audited financial statements of BAL for the period ended on 31st December 2015.
- a certified copy of the Proposed Scheme as approved by the Board of Directors of the Company at its meeting held on 10th March, 2016.
- the information and explanations given to us.

8. Based on the documents referred to in paragraph 7 above and consideration of paragraph 1 to 6 above, we certify that had the net worth of the Amalgamated Company been mathematically determined on 31st December, 2015 after considering the effects of the Scheme of Amalgamation, as referred to above, the pre-merger & post-merger net worth of the Amalgamated Company, would have been Rs.185.63 Crs. & 179.99 Crs. respectively as on that date (refer to the attached statement of computation). The net worth shown above does not include the Capital Reserve of Rs.7.61 Crs. & Capital Redemption Reserve of Rs.28.97 Crs. (Pre & Post Merger) as at the 31st December, 2015.

This certificate is issued at the request of the Amalgamated Company for onward submission to the stock exchange, courts, any other statutory authorities and other purposes incidental to obtaining regulatory approvals for the Scheme of Amalgamation with the Amalgamating Company approved by the Board of Directors of the Amalgamated Company on 10th March, 2016 and may not be used or relied upon for the other purposes without our express written consent.

**FOR, MAYANK SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
(FIRM REGN. NO. 106109W)**



mschah
**(M. S. SHAH)
PARTNER
Mem. No. 044093**

**Place : Ahmedabad
Date : 11.04.2016**



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@bodai.com

Website : www.bodal.com



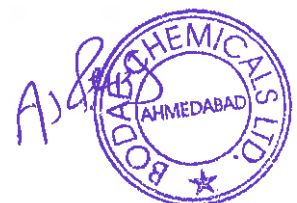
Statement of Computation of Notional Pre-merger and Post-merger Net Worth of Bodal Chemicals Limited as on 31st December, 2015.

Particulars (1)		Rs. in Crs.	
		Prior to giving effect to the Proposed Scheme (2)	After giving effect to the Proposed Scheme (3)
Share Capital: Equity-Issued & Paid up	A	21.82	21.82
Reserves & Surplus: Securities Premium Account		22.20	22.20
General Reserve		13.89	13.89
Surplus in Statement of Profit and Loss		127.72	122.08
Total Reserves & Surplus	B	163.81	158.17
Less: Revaluation Reserve	C	0	0
Reserves and Surplus (Excluding Revaluation Reserve)	D=B-C	163.81	158.17
Net Worth (Excluding Revaluation Reserve)	E=A+D	185.63	179.99

* Capital Reserve amounting to Rs.7.61 Crs. & Capital Redemption Reserve amounting to Rs.28.97 Crs. (Pre & Post Merger) has not been considered while arriving the Net Worth of the Company.

Notes:

1. The aforesaid computation has been made solely as per the requirements of stock exchange for filing along with the proposed "Scheme of Amalgamation between Bodal Agrotech Limited (BAL) and Bodal Chemicals Limited (BCL)" ("Proposed Scheme") having the "appointed date" of 1st April,2016, which has been approved by the Board of Directors of BCL on 10th March,2016 and is not to be considered for any other purpose
2. The figures stated above have been arrived at on the basis of figures extracted from the unaudited financial statements of BCL as at 31st December, 2015 certified by the Management of BCL and audited financial statements of BAL as at 31st December, 2015.
3. No adjustments for any event after 31st December,2015, that may affect the Net Worth of BCL as on that date, has been considered since the aforesaid computation





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has been made for the limited purpose of filing the same along with the Proposed Scheme as per the requirements of stock exchange.

4. This networth has been calculated as per the section 2(57) of the Companies Act, 2013.

FOR, BODAL CHEMICALS LIMITED



AJ [Signature]

DIRECTOR

Place : Ahmedabad

Date : 11.04.2016

