

श्रीमती सुशीला सं. कुलकर्णी
कम्पनी सचिव

हिन्दुस्तान ऑर्गेनिक केमिकल्स लिमिटेड
(भारत सरकार का उद्यम)

दूसरी मंजिल, नेको चेंबर, प्लॉट नं. 48, सेक्टर - 11,
सीबीडी, बेलापूर, नवी मुंबई 400 614
टेलीफोन (कॉम.) : 27562698
फैक्स : 91(022)27565188
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Mrs. Susheela S. Kulkarni
Company Secretary



HINDUSTAN ORGANIC CHEMICALS LIMITED
(A Govt. of India Enterprise)

2nd Fl. NECO Chamber, Plot No. 48, Sector-11,
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HOC/SEC/Se-com/2014/02.26

Date: 24/02/2014

To,
Zarana Shah, Manager,
Dept. of Surveillance and Supervision,
24th Floor, B S E Limited,
Pheroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400023

Fax No. 22720230

Kind Attn: Zarana Shah, Manager
Extn:22396

Dear Sir,

Sub./Ref: Confirmation/Information on published news captioned “MIDC Eyes Hindustan Organic Plot Near Mumbai” in “The Economic Times” dtd. 24th February, 2014.

Sub: Information in Compliance with Clause 36 of the Listing Agreement (L.A.).

This is with reference to your email letter no. L/DOSS/ONL/RV/2013-14/109 dated. 24/02/2014 with regards to the recent news captioned “MIDC Eyes Hindustan Organic Plot Near Mumbai” published in “The Economics Times” dated, 24th February, 2014.

In this regard, to your query as to the accuracy or otherwise of the information reported and your attempt to verify the same, we clarify the present position in the matter as under and to enable you to disseminate to the market place the clarification/ confirmation furnished by us in this are as under :-

- 1.1) Reg.: Query on “Whether such negotiations are taking place”- we would like to inform you that MIDC approached our Company viz. Hindustan Organic Chemicals Limited and presently discussions between MIDC and HOCL are in progress. However, nothing has been concluded/ finalized and will be informed to the exchanges once it is finalized; The above news item probably has appeared based on information to ET by MIDC officials.
- 1.2) At this juncture, we would also like to inform you in **compliance with clause 36 of the Listing Agreement** further as under :-
 - a) As informed to you earlier vide our Audited Annual Accounts- 2012-13 in the 52nd Annual Reports of the Company for the year 2012-13, our company has already become a ‘Sick Unit’ under the provisions of SIC (SP) Act, 1985 and accordingly the Company has made a reference under section 15(1) of SIC (SP) Act, 1985 to the BIFR as a ‘Sick Unit’ and awaiting registration number form BIFR to that effect;

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- b) Further as stated in our 52nd Annual Report (2012-13) as well as in the Report of the Board of Directors [contained in the 52nd Annual Report (2012-13)], our company is taking necessary initiatives and action plans for the Turnaround/ Revival of our Company;
- b.i) As part of the said revival plans, presently three PSUs viz. CONCOR, HPCL & BPCL have approached our company for which HOCL is presently considering their proposals on long lease of Company's Land at Rasayani Unit to these PSUs for their various Industrial Projects;
- b.ii) It is also proposed to dispose off some of the idle assets of our Company's Rasayani Unit to enable the Company to generate some revenue/funds at this present juncture of financial crisis in the Company.
- b.iii) It is also proposed to dispose off Company's Caustic Soda Plant situated at its Rasayani Unit to generate additional revenue for our Company.
- b.iv) Further, presently due to non supply of raw materials by BPCL as a result of overdues outstanding, the plant at its Rasayani Unit have been shut down and there are frequent interruptions at Company's Kochi Unit plants owing to short supply of raw material. To overcome these problems, it is presently proposed to further secure by way of second charge (for additional amount of Rs. 60cr) the supplies of raw materials and fuel by BPCL to the Company which will enable BPCL to continuously supply raw materials and fuel to both units thereby enabling for the continuous operation of the Company's various plants at both Rasayani and Kochi Units. This will result into continuous operations of plants at Rasayani and Kochi Units in the near future as against the present shut down status of the plants.
2. Company is fully aware that any information having the financial implication is required to be informed to the Exchanges (NSE & BSE) under Clause 36 of the Listing Agreement, as it will have bearing on the movement in the trading prices w.r.t the Equity shares of our Company. Accordingly, we assure you of our timely submission of the relevant information to the Listed Exchanges (NSE & BSE) from time to time which we have been complying in the previous occasions as well as at present and in the period ahead. Further, as advised by you the aforesaid clarifications/ confirmations are submitted herewith to you by fax to your designated fax number as well as to your designated email ids.

Please take the above in your records in compliance with Clause 36 of the Listing Agreement.

Please acknowledge the receipt.

Thanking you,

Yours faithfully,

For Hindustan Organic Chemicals Ltd.,

(Mrs. Susheela S. Kulkarni)

Company Secretary