

Shiv Ashish, 2nd Floor,
Near Lathia Rubber Factory,
Andheri-Kurla Road,
Sakinaka, Mumbai - 400 072, India.
Tel. : 4201 4444 / 4201 4428
Fax : 91-22-28590729 / 4201 4438
E-mail : vinati@vinatiorganics.com
Website : www.vinatiorganics.com



VOL/MUM/GSS/1677
August 17, 2011

The Stock Exchange, Mumbai
(Listing Department)
P. J. Towers, 21st Floor,
Dalal Street, Mumbai – 400 001.

Dear Sir/Madam,

Scrp Code: 524200

VINATI ORGANICS LIMITED – UPDATE

VINATI ORGANICS LIMITED PLANS CAPEX TO THE TUNE OF RS. 50 CRORES

In addition to the Rs. 100 Crores of capital expenditure expected to be completed during FY12, Vinati Organics Limited (VOL) is embarking on a further capital expenditure which would add 3 new products to its portfolio. The total capex for the same is approx Rs. 50 Crores and is to be funded through a combination of debt and internal accruals.

- High Purity MTBE – 6000 MT capacity
- Di-Isobutylene – 5000 MT capacity
- Di Ethyl Aniline – 3000 MT capacity

The above capital expenditure would be undertaken in the present facilities of Mahad and Lote and is expected to be completed by mid FY13. The new products are expected to yield additional revenues of Rs. 100 Crores per year.

ABOUT VINATI ORGANICS LIMITED (BSE CODE: 524200; NSE CODE: VINATIORGA)

Incorporated in the year 1989, VOL is into the manufacturing of specialty organic chemicals. It's the world's largest manufacturer of Isobutyl Benzene (IBB) and ATBS. Its manufacturing facilities are situated in Mahad and Lote, Maharashtra. Its products include (IBB) which is used as a basic raw material for manufacturing Ibuprofen, an anti-inflammatory analgesic bulk drug. IBB is also used in perfumery industry. ATBS is used in oil-field recovery, water treatment, acrylic fiber manufacturing, adhesives, and personal care products, as well as in mining, coatings, and as a dispersing and flocculating agent. VOL exports more than 75% of its production across USA, Europe, Asia, Middle East and China and is the preferred supplier for some of the largest chemical manufacturing companies in the world.

VOL is listed on the Bombay Stock Exchange and National Stock Exchange. Net Sales for FY11 were Rs. 31670 Lacs.

Thanking you,

Yours faithfully,
For Vinati Organics Limited

G. S. Singh

G. S. Singh
Company Secretary cum
Finance Controller