



Gujarat Alkalies and Chemicals Limited

(Promoted by Govt. of Gujarat)

Regd. Office & Works : P. O. Petrochemicals - 391 346, Dist. Vadodara (Gujarat) INDIA

Phone : +91-265-2232681, 3061200, 6540463 Fax : +91-265-2232130

Website : www.gacl.com CIN NO : L24110GJ1973PLC002247

Ref.: SEC/SE/2019

22nd November, 2019

The General Manager
Corporate Relation Department
BSE Ltd.
1st Floor, New Trading Ring
Phiroze Jeejeebhoy Towers
Dalal Street
MUMBAI : 400 001
Company Code No.: 530001

The General Manager
Listing Department
National Stock Exchange of India Ltd.
"Exchange Plaza", C-1, Block- 'G'
Bandra-Kurla Complex
Bandra (East)
MUMBAI : 400 051
Company Code No.: GUJALKALI

Dear Sir/Madam,

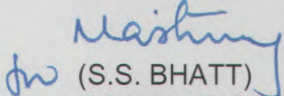
Sub.: Investors' Presentation

The Company has further updated Investors' Presentation and uploaded on its website www.gacl.com for the benefit of Investors/Shareholders at large.

A copy of the Investors' Presentation is enclosed herewith for information.

Thanking you,

Yours faithfully,
For GUJARAT ALKALIES AND CHEMICALS LIMITED



(S.S. BHATT)
COMPANY SECRETARY & GM (LEGAL & CC)

Encl. as above



Dahej Complex : P. O. Dahej - 392130, Tal. Vagra, Dist. Bharuch (Gujarat) INDIA.

Phone : +91-2641-256315 / 6 / 7, Fax : +91-2641-256220.



GUJARAT ALKALIES AND CHEMICALS LIMITED

Regd. Office : P.O.PETROCHEMICLAS : 391346
DIST. VADODARA, GUJARAT.
www.gacl.com

Board of Directors

Dr. J N Singh, IAS, Chairman

Shri Arvind Agarwal, IAS, Director

Shri M K Das, IAS, Director

Shri Rajiv Lochan Jain, Independent Director

Smt. Vasuben Narendrabhai Trivedi, Independent Director

Shri S B Dangayach, Independent Director

Shri P K Gera, IAS, Managing Director

Shareholding Pattern as on 30th September, 2019

| Sr. No. | Name | No. of Shares | % of Total Share Capital |
|------------------|--|--------------------|--------------------------|
| 1. | Promoters (7 Promoters) | 3,39,86,310 | 46.28 |
| 2. | Domestic Institutional Investors (DIIs) | 56,69,445 | 7.72 |
| 3. | Foreign Institutional Investors (FIIs) | 14,27,282 | 1.94 |
| 4. | Bodies Corporate | 2,01,11,010 | 27.39 |
| 5. | Others | 1,22,42,881 | 16.67 |
| Total.... | | 7,34,36,928 | 100.00 |

GACL- Basic details

- **Two complexes**
 - **Vadodara, started in 1976**
 - **Dahej, started in 1995**
- **Major products in Vadodara**
 - **Caustic Soda, Caustic Potash, Hydrogen Peroxide, Chloromethane, Poly Aluminium Chloride**
- **Major products in Dahej**
 - **Caustic Soda, Hydrogen Peroxide, Phosphoric Acid, Anhydrous Aluminium Chloride, Poly Aluminium Chloride, Sodium Chlorate, Stable Bleaching Powder**
- **Other investments**
 - **GIPCL, GCPTCL, Gujarat Guardian Ltd and GACL-NALCO Alkalies & Chemicals Pvt. Ltd. (JV Company by GACL 60% & NALCO 40%).**

GACL- Basic details

- ❑ **Toll manufacturing**
- ❑ **Chlorinated Paraffin (CPW)**
- ❑ **Anhydrous Aluminium Chloride (ALC)**
- ❑ **Chlorinated Toluene**
 - ❑ **Benzyl Chloride**
 - ❑ **Benzyl Alcohol**
 - ❑ **Benzyldehyde**
- ❑ **171.45 MW Wind Farms** at various locations of **Kutchh & Saurashtra** and **35 MW Solar Power Plant** at **Charanka Solar Park - Patan.**
- ❑ **Started transporting Caustic Soda Lye under multimodal logistics - through Railway Racks as well as through Sea to Eastern & Central India, since Dec.'2014.**

Glimpse of Growth Journey

| Projects Commissioned | Present Capacity (MTPA) | Commissioned / Expanded in |
|---|-------------------------|-------------------------------------|
| Caustic Chlorine Plant (Baroda) Initial Capacity 37,425 MTPA | 153,450 | 1976, 1981, 1984, 1989, 1994 |
| Caustic Chlorine Plant (Dahej) Initial Capacity 143,550 MTPA | 259,050 | 1998, 2007, 2010 |
| Caustic Potash Plant Initial Capacity 16,500 MTPA | 39,600 | 1994, 2016 |
| Chloromethane Plant Initial Capacity 10,560 MTPA | 56,100 | 1986, 1990, 2007, 2010, 2018 |
| Phosphoric Acid Plant | 26,730 | 1995 |

Glimpse of Growth Journey

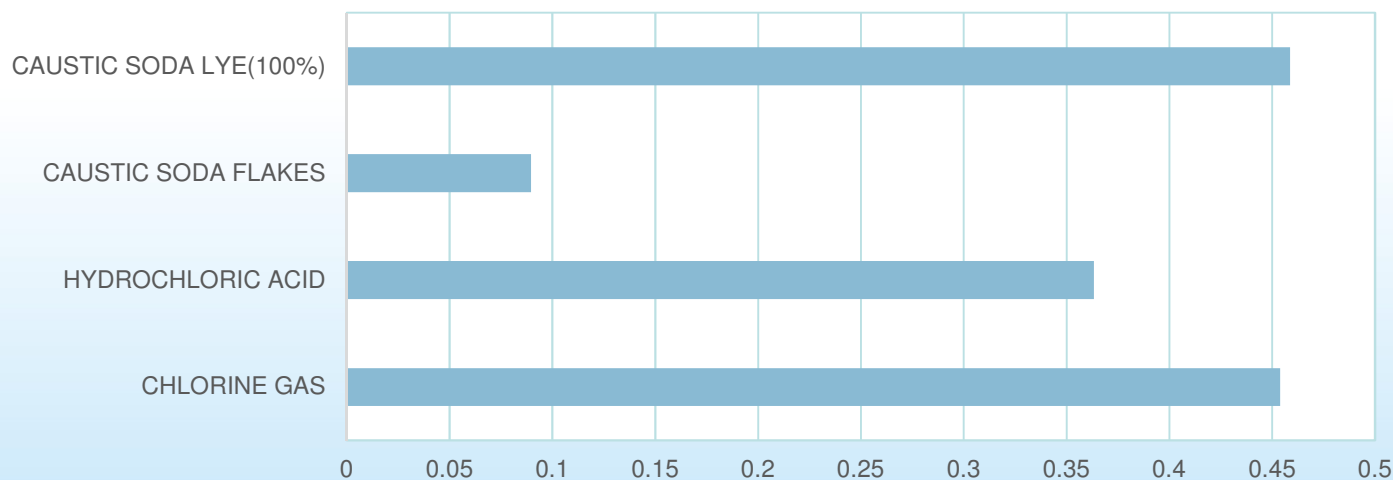
| Projects Commissioned | Present Capacity (MTPA) | Commissioned in |
|---|--------------------------------|---|
| Hydrogen Peroxide Plant Initial Capacity 10,890 MTPA | 53,080 | 1996, 2002, 2007, 2010, 2011, 2012, 2014, 2018 |
| Poly Aluminium Chloride Plant (P18) Initial capacity 41,250 MTPA | 73,250 | 2006, 2008, 2018 |
| Stable Bleaching Powder Plant | 15,000 | 2011 |
| Anhydrous Aluminium Chloride Plant Initial Capacity 16,500 MTPA | 32,950 | 2008, 2010, 2016 |
| Sodium Chlorate Plant | 19,000 | 2014 |
| Wind Mill Projects (Various locations) | 171.45 MW | 2008, 2017 |
| Solar Power Plant | 35 MW | 2018, 2019 |

Financial Details

Figures in Rs. Crores

| Sr. No. | Particulars | 2019-20 H-1 | 2018-19 | 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|---------|--|-------------|----------|----------|----------|----------|----------|----------|
| 1 | NET EXTERNAL SALES VALUE | 1,406.85 | 3,102.31 | 2,417.70 | 2,020.25 | 1,955.97 | 1,931.81 | 1,882.85 |
| 2 | PROFIT BEFORE TAX (PBT) | 374.46 | 1,015.02 | 750.22 | 381.78 | 262.70 | 215.48 | 246.55 |
| 3 | PROFIT AFTER TAX (PAT) | 261.15 | 689.65 | 535.02 | 308.10 | 219.89 | 227.86 | 185.03 |
| 4 | LOANS OUTSTANDING AS AT 30 TH SEPT 2019 | 222.63 | 247.45 | 290.63 | 353.38 | 295.39 | 161.57 | 219.80 |

Production Volume (Lakh MT) 2019-20(Q2), Vadodara Complex



HIGHLIGHTS FOR THE H-1 OF F.Y. 2019-20



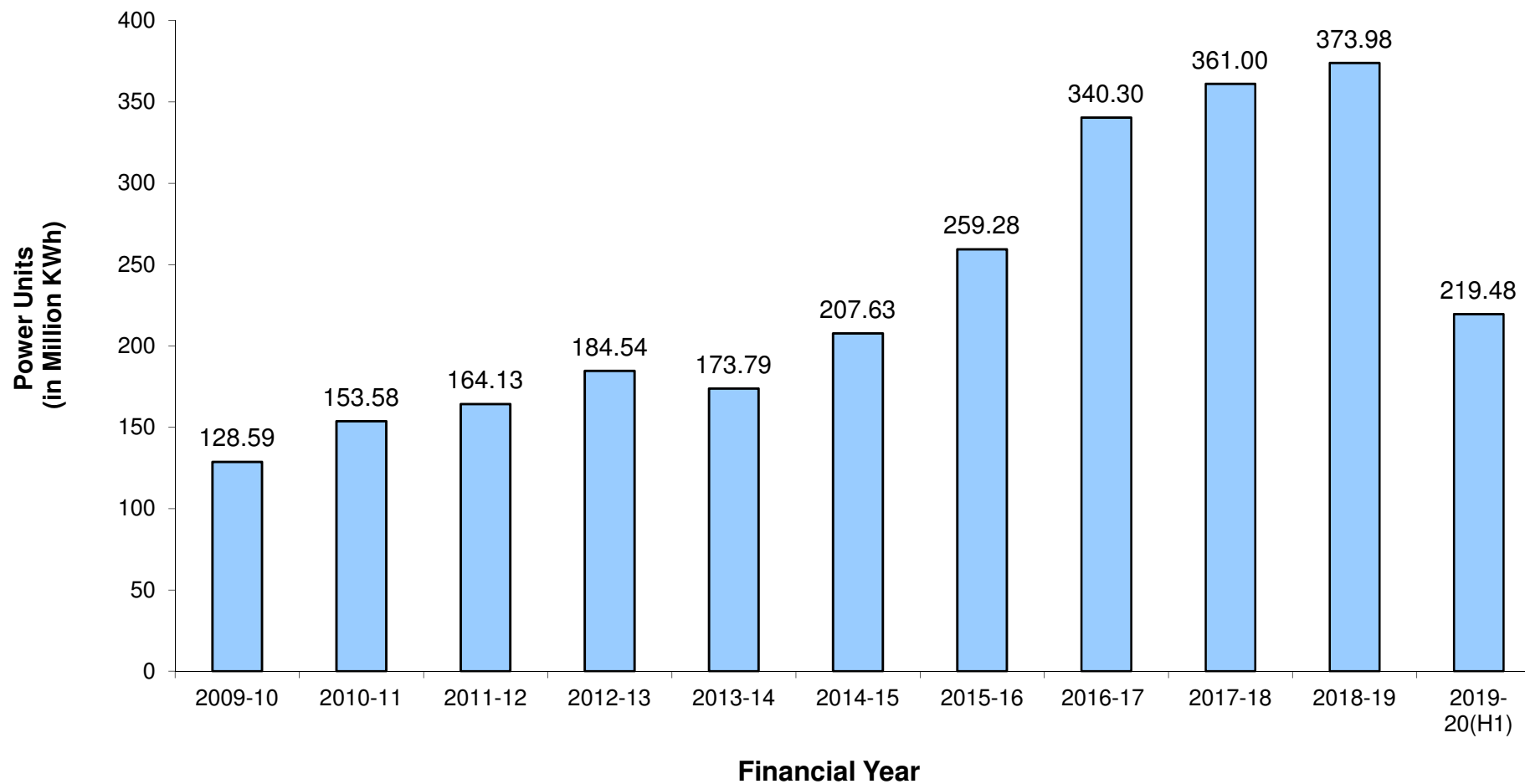
| PARTICULARS | 2018-19 H-1 | 2019-20 H-1 | DIFFERENCE 2019-20 v/s. 2018-19 | |
|--|---------------------------|----------------|------------------------------------|---------|
| | (Figures in Rs. Crores) | | (Figures in Rs. Crores) | (%) |
| PROFIT BEFORE TAX | 511.94 | 374.46 | (137.48) | (26.85) |
| NET EXTERNAL SALES VALUE | 1,501.00 | 1,406.85 | (94.15) | (6.27) |
| RAW MATERIAL COST (other than Natural Gas)* | 274.48 | 308.51 | 34.03 | 12.40 |
| NATURAL GAS COST – as Raw Material @ | 144.52 | 162.75 | 18.23 | 12.61 |
| NET EXTERNAL ELECTRICITY CHARGES # | 206.65 | 218.93 | 12.28 | 5.94 |
| PLF OF POWER PLANT AT DAHEJ (%) | 48 | 60 | 12 | 25.00 |
| SAVINGS IN POWER COST DUE TO WIND FARMS AND SOLAR CREDIT (GROSS) | 147.73 | 136.54 | (11.19) | (7.57) |
| PROFIT AFTER TAX | 357.54 | 261.15 | (96.39) | (26.96) |

* Raw material cost – other than Natural Gas increased due to unfavourable quantity variance of Rs.26.21 Crores (9.55%) and unfavourable price variance of Rs.7.82 Crores (2.85%).

@ Natural Gas Cost increased due to unfavourable quantity variance of Rs.41.04 Crores (28.40%) and favourable price variance of Rs.22.81 Crores (15.79%).

Net External Electricity Charges increased due to unfavourable quantity variance of Rs.4.28 Crores (2.07%) and unfavourable price variance of Rs.8.00 Crores (3.87%).

Windmill Power Generated



As On 30.09.2019

Installed Capacity at GACL

| PRODUCTS | VADODARA | DAHEJ | TOTAL CAPACITY |
|--|----------|----------|----------------|
| Caustic Soda Lye (On 100% Basis) | 1,53,450 | 2,59,050 | 4,12,500 |
| Caustic Soda Flakes/Prills | 53,000 | 1,65,000 | 2,18,000 |
| Chloromethane | 56,100 | - | 56,100 |
| Caustic Potash Lye (On 100% Basis) | 39,600 | - | 39,600 |
| Potassium Carbonate | 13,200 | - | 13,200 |
| Hydrogen Peroxide (On 100% Basis) | 12,540 | 40,540 | 53,080 |
| Phosphoric Acid | - | 26,730 | 26,730 |
| A. Aluminium Chloride (Jobwork/O&M) | 9,900 | 23,050 | 32,950 |
| Poly Aluminium Chloride | 32,000 | 41,250 | 73,250 |
| Chlorinated Paraffin (CPW) - (Jobwork) | 12,000 | - | 12,000 |
| Stable Bleaching Powder | - | 15,000 | 15,000 |
| Sodium Chlorate | - | 19,000 | 19,000 |

* Membrane Cell of CSL & CPL are interchangeable & production is optimized as per market requirement

Actual Production V/s. Installed Capacity of Major Products

| MAJOR PRODUCTS | UNIT | INSTALLED CAPACITY | ACTUAL PRODUCTION 2018-19 | % CAPACITY UTILIZATION | PRODUCTION (UPTO 30.9.19) |
|------------------------------|------|--------------------|---------------------------|------------------------|---------------------------|
| Caustic Soda Lye (100%) | MT | 412,500 | 432,407 | 104.83 | 2,21,531 |
| Chloromethane | MT | 56,100 | 51,325 | 91.49 | 29,027 |
| Caustic Potash Lye (KOH) | MT | 39,600 | 24,761 | 62.53 | 15,105 |
| Hydrogen Peroxide | MT | 53,080 | 48,414 | 91.21 | 27,343 |
| Phosphoric Acid | MT | 26,730 | 27,555 | 103.09 | 13,815 |
| Anhydrous Aluminium Chloride | MT | 32,950 | 37,377 | 113.44 | 18,566 |
| Poly Aluminium Chloride(G18) | MT | 73,250 | 51,919 | 70.88 | 35,852 |

* Membrane Cell of CSL & CPL are interchangeable & production is optimized as per market requirement

Alkali Industry V/s. GACL Capacity Utilisation

| Financial Year | Capacity Utilisation (Alkali Industry) | Capacity Utilisation (GACL) |
|----------------|---|--------------------------------|
| 2011-12 | 82% | 89% |
| 2012-13 | 81% | 85% |
| 2013-14 | 79% | 89% |
| 2014-15 | 81% | 89% |
| 2015-16 | 85% | 90% |
| 2016-17 | 82% | 94% |
| 2017-18 | 84% | 94% |
| 2018-19 | 90% | 105% |

Source: AMAI (Alkali Manufacturers Association of India)

Export of major Products

(Rs. In Lacs)

| MAJOR PRODUCTS | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 (Upto 30.9.2019) |
|------------------------------|-------------------|-------------------|-------------------|--|
| Caustic Soda Lye | 3,087 | 3,510 | 3,123 | 1,312 |
| Caustic Soda Flakes/Prills | 12,263 | 18,923 | 18,649 | 8,301 |
| Hydrochloric Acid | 392 | 199 | 198 | 103 |
| Liquid Chlorine | 56 | 64 | 60 | 12 |
| Chloromethane | 31 | 35 | 123 | 75 |
| Phosphoric Acid | 99 | 131 | 74 | 29 |
| Hydrogen Peroxide (50%) | 350 | 449 | 568 | 264 |
| Anhydrous Aluminium Chloride | 3,850 | 3,563 | 5,299 | 2,811 |
| Poly Aluminium Chloride | 980 | 953 | 1,112 | 760 |
| Benzyl Alcohol | 2,328 | 2,841 | 2,987 | 1,183 |
| Benzyl Chloride | 140 | 222 | 855 | 493 |
| Chlorinate Paraffin (CPW) | 202 | 62 | 222 | 88 |
| TOTAL | 23,779 | 30,952 | 33,270 | 15,431 |

* Exports include Deemed Export

**Presence - India
Base Chemicals -
Caustic Soda/Chlorine**



GACL



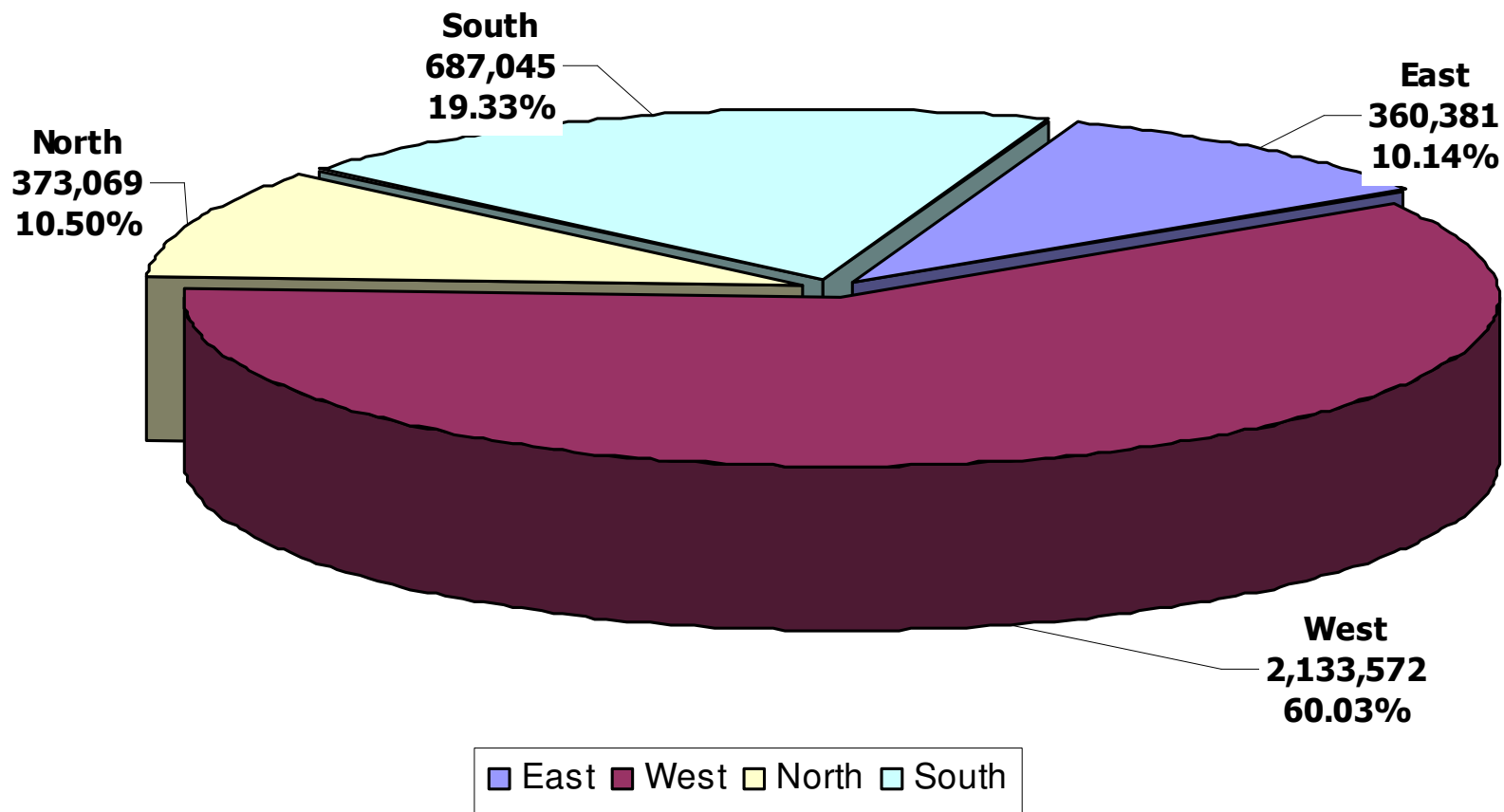
Aditya Birla/Grasim



Others

Caustic Soda Industry (Regional Distribution)

Regionwise Installed Capacity (MTPA) As On 31.3.2019



GACL- Strategic advantages

| | |
|------------------------------|--|
| Land | 600 acres for expansion at Dahej |
| Rail connectivity | Across boundary limits at Dahej |
| Port connectivity | GCPTCL 4 km from Dahej Complex |
| Dealer network | Strong, with best companies |
| Clean power | 171.45 MW Wind Power (Installed) 35 MW Solar park (Installed) |
| Co-promoted companies | GCPTCL – Chemical Port at Dahej |
| | GIPCL – Power Company at Vadodara |
| | GNAL – A Joint Venture with NALCO for Caustic Soda Production |
| Product basket | Multiple products from basic Chemicals to value added chemicals |
| Customer proximity | Bulk Consumers situated in nearby area |

Major Challenges

1) Contribution & market share of flagship products

- Ever increasing competition for market share
- Urgent need for expansions
- Highly dependent on a single bulk product i.e. Caustic Soda
- A good product basket but low production capacity of Chlorine based products

2) Chlorine disposal – major bottleneck

- Additional in-house consumption to improve capacity utilisation
- Future projects must also have an add-on project to consume chlorine

Major Challenges

3) Very high logistics cost

- Bulk commodity products can't be sustained beyond 500 km, if transported by road,
- Uncompetitive in other distant States,
- Both plants located in Caustic soda surplus State of Gujarat
- Pressure on market share compared to M/s. Grasim, which has country-wide presence

4) Optimizing Power cost keeping an eye on the power cost of co-producers

- NG based power plant is costlier than coal based power plants
- Need to look at coal based power plant
- Focus on Renewable energy to bring down the average price of energy basket

New Expansion Projects

| Projects | Capacity | Cost (Rs. Crs.) | Progress Status as of 25.10.2019 |
|--|---------------------|----------------------------|---|
| CS New plant with Coal based Power plant (A JV with NALCO) | 800 TPD + 130 MW | 2000 | CS Plant 44% Power Plant 66% |
| Chloromethanes Plant at Dahej | 300 TPD | 683 | 36% |
| Phosphoric acid (New) | 100 TPD | 390 | Less than 5% |
| Hydrazine Hydrate | 30 TPD | 405.50 | 24% |
| SBP Plant at Dahej | 45 TPD | 25.5 | 88% |
| Aluminium Chloride Plant at Dahej | 50 TPD | 35 | 85% |
| Chlorotoluene Plant at Dahej | 120 TPD | 120 | To be implemented |
| Caustic Soda expansion at Dahej and Coal base power plant | 525 TPD 65 MW | 875 | Detailed Engg. Contract finalised |

Thank You

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