



# 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

22<sup>nd</sup> November, 2019

The General Manager Corporate Relation Department BSE Ltd. 1 <sup>st</sup> 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
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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](http://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 30<sup>th</sup> September, 2019

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

## 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

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

## Glimpse of Growth Journey

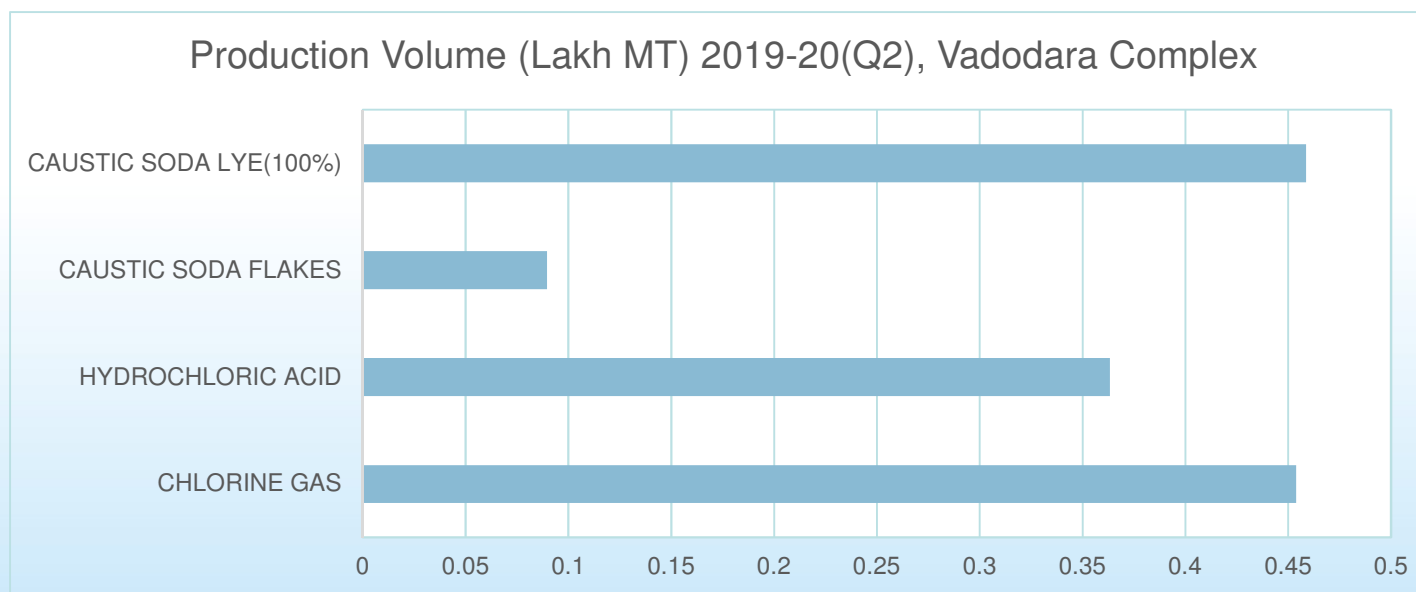
Projects Commissioned	Present Capacity (MTPA)	Commissioned in
<b>Hydrogen Peroxide Plant</b> Initial Capacity 10,890 MTPA	<b>53,080</b>	<b>1996, 2002, 2007, 2010, 2011, 2012, 2014, 2018</b>
<b>Poly Aluminium Chloride Plant (P18)</b> Initial capacity 41,250 MTPA	<b>73,250</b>	<b>2006, 2008, 2018</b>
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



## 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 <sup>TH</sup> SEPT 2019	222.63	247.45	290.63	353.38	295.39	161.57	219.80



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



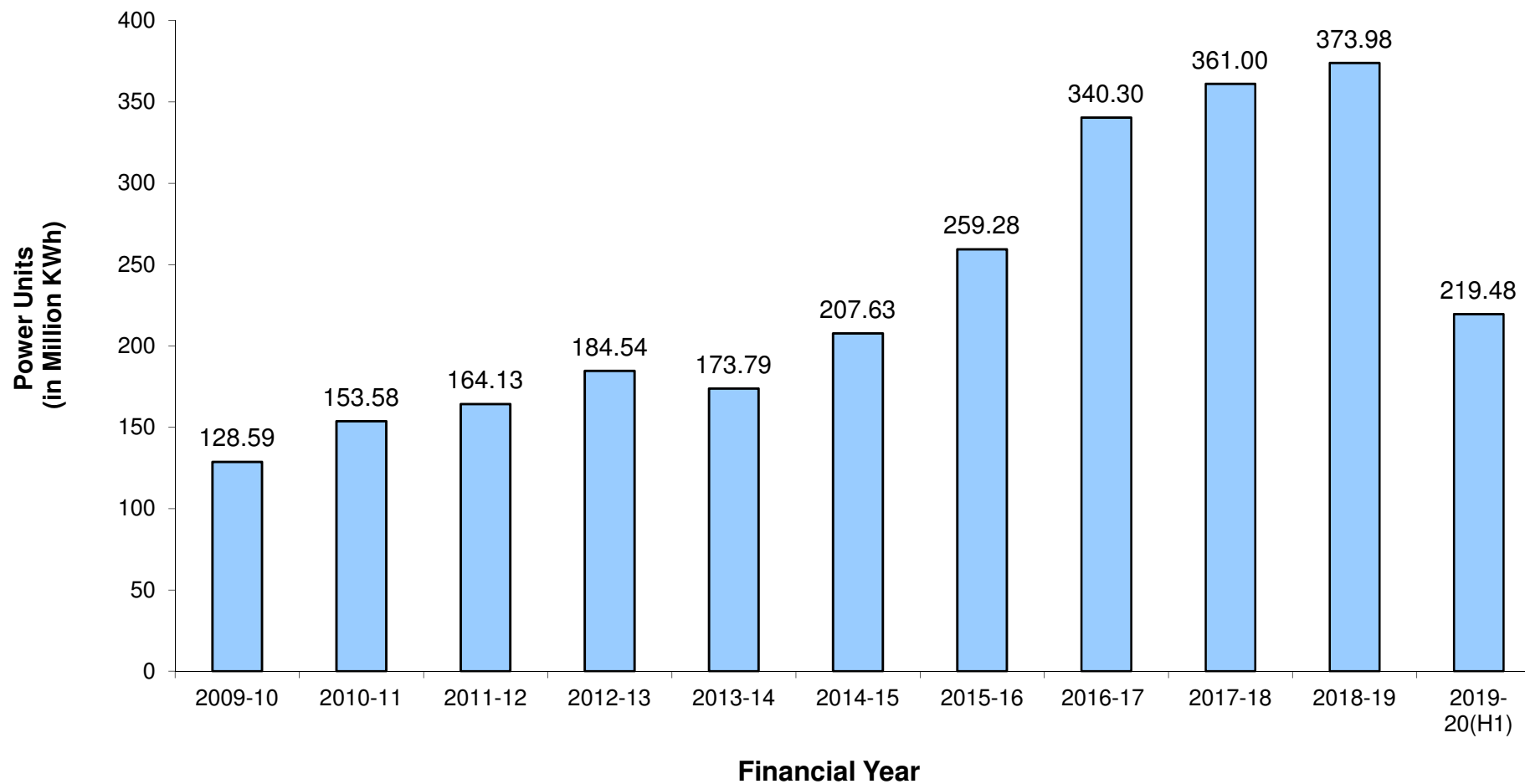
PARTICULARS	2018-19 H-1	2019-20 H-1	DIFFERENCE 2019-20 v/s. 2018-19	
	( Figures in Rs. Crores )		(Figures in Rs. Crores )	( % )
PROFIT BEFORE TAX	511.94	374.46	(137.48)	(26.85)
NET EXTERNAL SALES VALUE	1,501.00	1,406.85	(94.15)	(6.27)
RAW MATERIAL COST (other than Natural Gas)*	274.48	308.51	34.03	12.40
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

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

\* 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)
<b>2011-12</b>	<b>82%</b>	<b>89%</b>
<b>2012-13</b>	<b>81%</b>	<b>85%</b>
<b>2013-14</b>	<b>79%</b>	<b>89%</b>
<b>2014-15</b>	<b>81%</b>	<b>89%</b>
<b>2015-16</b>	<b>85%</b>	<b>90%</b>
<b>2016-17</b>	<b>82%</b>	<b>94%</b>
<b>2017-18</b>	<b>84%</b>	<b>94%</b>
<b>2018-19</b>	<b>90%</b>	<b>105%</b>

Source: AMAI (Alkali Manufacturers Association of India)

## Export of major Products

(Rs. In Lacs)

<b>MAJOR PRODUCTS</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20 (Upto 30.9.2019)</b>
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
<b>TOTAL</b>	<b>23,779</b>	<b>30,952</b>	<b>33,270</b>	<b>15,431</b>

\* Exports include Deemed Export

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



**GACL**



**Aditya Birla/Grasim**

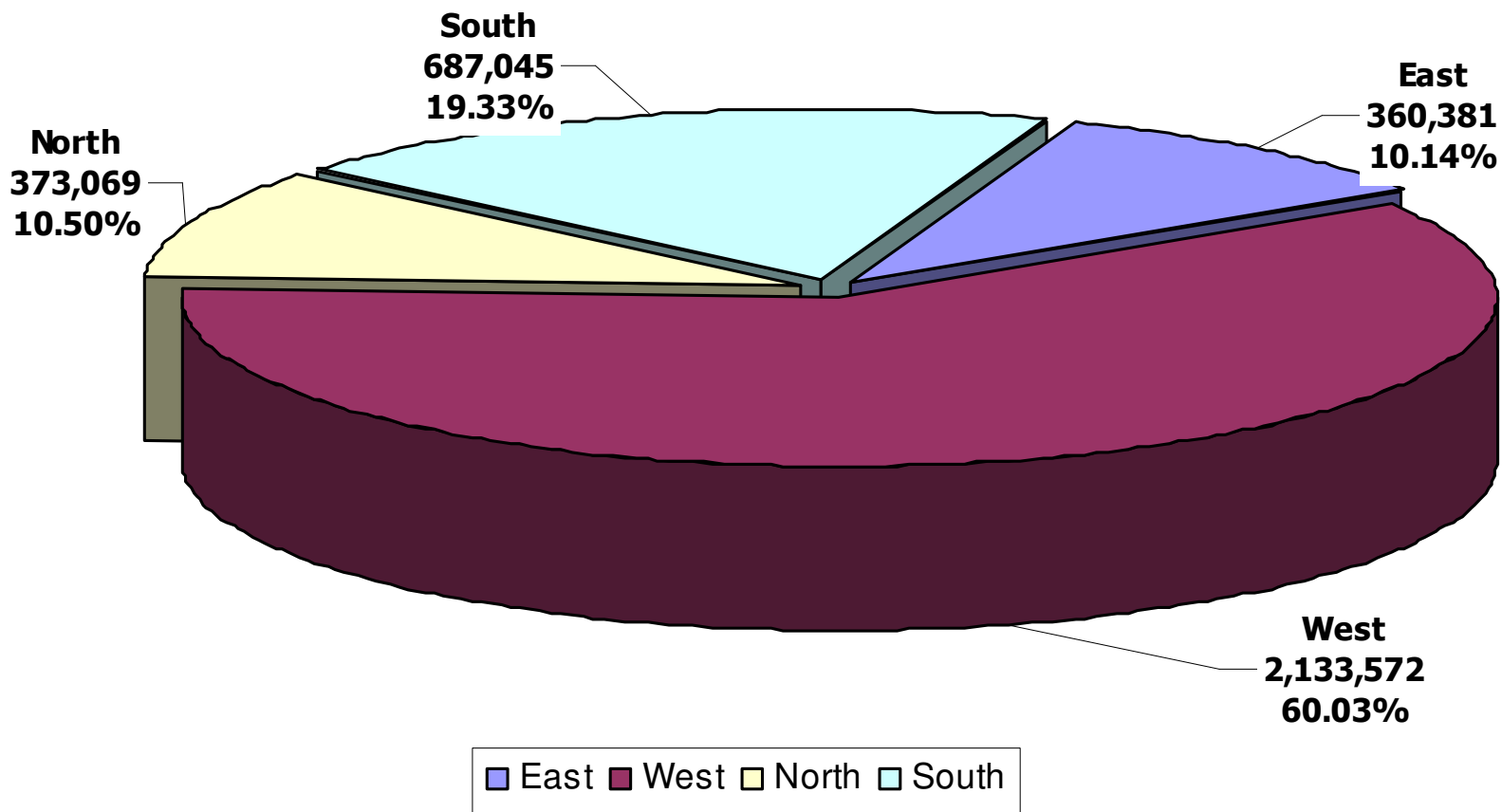


**Others**



# Caustic Soda Industry (Regional Distribution)

**Regionwise Installed Capacity (MTPA) As On 31.3.2019**



## GACL- Strategic advantages

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

## 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

<b>Projects</b>	<b>Capacity</b>	<b>Cost (Rs. Crs.)</b>	<b>Progress Status as of 25.10.2019</b>
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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