



PRESS NOTE

SECOND QUARTER PROFIT BEFORE TAX BOOST UP BY 138%

Gandhinagar , Thursday , the 20th October , 2011

The Board of Directors of GACL in their meeting held at Gandhinagar on 20th October , 2011 have approved the financial results for the second quarter and first six months ended on 30th September , 2011 .

Shri M S Dagur, IAS, Managing Director of the Company stated that the Company has achieved increased Net Sales of ` 417.16 crore for the quarter ended on 30th September, 2011 as against ` 351.61 crore for the second quarter of previous year. The Net Sales for the first half has been achieved to ` 835.21 crore as against ` 678.41 crore in the corresponding period of previous year respectively despite competitive market conditions.

The Profit Before Tax of second quarter has been achieved to ` 51.72 crore shows an increase of 138% as compared with `21.67 crore in the similar period of previous year, which is mainly due to improvement in price realizations for Caustic Soda Group, Chloromethanes Group, Caustic Potash Group, Phosphoric Acid, Sodium Cyanide, Ploy Aluminium Chloride Group, Aluminium Chloride, Chlorinated Parafin Wax and Benzaldehyde products in particular. The Profit After Tax for the quarter achieved at `37.06 crore which also shows an increase of 84% as compared with `20.12 crore in the similar period of the previous year.

The Profit Before Tax of First Half has increased by 165% to `116.06 crore as compared with `43.79 crore in the corresponding period of previous year. Similarly, the Profit After Tax for the First Half also increased by 113% to `83.46 crore as compared with `39.13 crore in the corresponding period of the previous year.

He also added that the annualised financial ratios improved at the end of the second quarter as compared to the year ended on 31st March, 2011 :

i)	Earning Per Share	-	`22.74 from `15.56
ii)	Cash Earning per Share	-	`50.20 from `35.42
iii)	Return on Equity	-	10.86% from 6.11%
iv)	Debt Equity ratio	-	0.13 : 1 times from 0.15 : 1 times
v)	Book value per Share	-	`209.36 from `197.55
vi)	Interest Coverage Ratio	-	20.98 times from 14.07 times
vii)	Debt Service Coverage Ratio	-	2.16 times from 1.24 times

He further said that the Company has already got three Projects registered with United Nations Framework Convention on Climate Change (UNFCCC) under Clean Development Mechanism (CDM) Projects and has taken action for few more projects including Wind Mill projects to be registered during the Financial Year 2011-12. It has got 1,66,000 CER's approved by UNFCCC and plans to monetise the same in due course of time.

The engineering activities of 2,00,000 TPA Chloromethanes Project based on Dow's technology are going on at full steam.

The Company has already announced projects involving an investment of about `2,600 crore and these projects are progressing as scheduled and are expected to go on stream by FY 2014-15.