

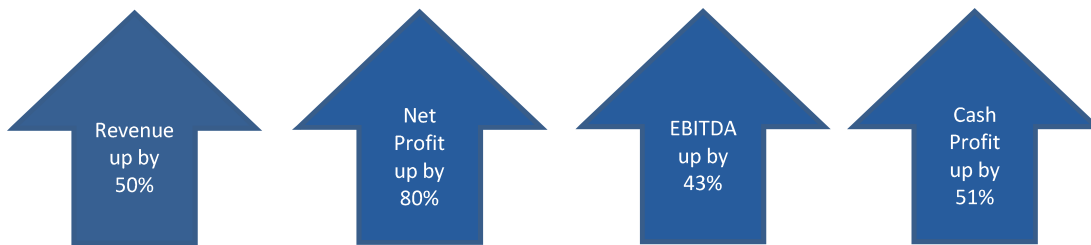
Expanding Potential

PRESS RELEASE

Delhi, Friday, February 4, 2022

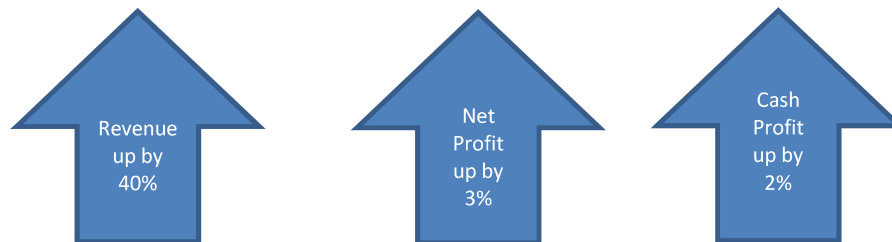
Gulshan Polyols Ltd. – 9M' & Q3'FY22 Results

➤ Comparison of 9M' FY22 (YOY)



- **9M'FY22 Revenue from Operations stood at ₹ 80,849.97 Lakhs vs. ₹ 53,868.90 Lakhs in 9M'FY21, showing a notable growth of 50%, similarly, Net Profit at ₹ 7,380.28 Lakhs vs. ₹ 4091.19 Lakhs in 9M'FY21, which is 80 % up, with a impeccable growth.**

➤ Comparison of Q3' FY22 (YOY)



- **Q3'FY22, Revenue from Operations stood at ₹ 29,266.10 Lakhs vs. ₹ 20,912.89 Lakhs in Q3'FY21, showing strong growth of 40%, similarly, Net Profit at ₹ 1,913.34 Lakhs vs. ₹ 1860.48 Lakhs in Q3'FY21.**

The Board of Gulshan Polyols Limited (GPL) grouped today to approve Unaudited Financial Results for the Quarter and Nine months ended December 31, 2021.



BRIEFING BY DR. CHANDRA KUMAR JAIN, CHAIRMAN AND MANAGING DIRECTOR OF GULSHAN POLYOLS LIMITED ON THE COMPANY'S PERFORMANCE:

It is really appreciable that your Company is emerging stronger and healthier and is scaling new heights. During the quarter, we worked diligently by assuring employees' safety while continuing to serve our customers by running our operations successfully. The 9 months results demonstrate that our business strategy is working well which is evident by revenue growth of 50% in 9M'FY22 (YOY). I am glad to say that we are setting new precedents and marking higher from our own performance and financial numbers and moving ahead quarter on quarter.

Among other segments; the Grain Processing business has grown significantly as it has contributed to a revenue growth by ₹ 21220.82 Lakhs in 9M'FY22 vs. 9M'FY21, up by 55% of comparative total revenue growth, due to good and continuous demand.

Further, the Ethanol and Distillery segment is doing well in producing and supply of 'Ethanol' to Oil marketing companies and other public sector companies. It has contributed into revenue growth by ₹ 5833.64 Lakhs in 9M'FY22 vs. 9M'FY21, which is at 67 %.

Growth continues accelerating in Q3 with resilient operating margins. Your company is combatting the global coal crisis which has led to increase in "power and fuel cost" by 70%, and in addition to this, a rise in raw material price by 33% in Q3FY22 (YOY) has affected the profitability and hence the bottom line. Despite that, Company is continuously focusing on achieving its targets by constantly improving its sales volumes, sales price realization and optimizing cost wherever possible. A sequential growth in revenues and a consistent demand in the Grain processing and Ethanol segment, is driving growth for the Company.

Simultaneously, we continue to strengthen employee's value proposition including health and wellness measures, re-skilling programs, appropriate compensation interventions, ESOPs and enhanced career growth opportunities. Our recent priority has been to vaccinate our employees with agility and we have been holding various vaccination drives at our plants across the country, towards this endeavor. I am happy to report that at present more than 70% of our employees are vaccinated across the organization with at least one shot of the Vaccine.



*I feel overjoyed to reiterate and announce that the Company has signed and executed a Long Term Offtake Agreement on January 8, 2022, for our upcoming Standalone dedicated ethanol plant of 500 KLPD at M P A K V N Industrial Area, Boregaon, Madhya Pradesh and 250 KLPD Ethanol Plant at Industrial Growth Centre, Matia, District Goalpara, Assam for supply of 8.91 Crores Liters and 3.96 Crores Liters per annum “**Indigenous Denatured Anhydrous Ethanol**”, respectively to Oil Marketing Companies (OMCs) under Ethanol Blending Petroleum Program to meet ethanol requirements for 20 % blending by year 2025 by using corn/maize and rice combination. This is achievable due to constant conviction and faith of all Stakeholders in the Company.*

We are proud, that our strengthened Boardroom and Executive team have demonstrated expert leadership, and our employees are demonstrating commitment in delivering higher volumes. We are setting up and expanding your Company for its next phase of growth as construction is going on in full swing in Madhya Pradesh’s 500 KLPD Ethanol plant. The orders for major plant and machinery have already been placed. Additional land has been purchased around surrounding areas to fulfill operational requirements and to support expansion. Company has also started the land and site development work at its Assam Location for setting up a 250 KLPD Ethanol plant.

The recovery in demand is getting better Quarter on Quarter, credible resumption of supply chain and logistics, cost & cash management and a vigorous boost in production has helped us to deliver strong performance. The three quarters or say 3/4 of FY22, already delivered desired results, reflecting a sequential growth, signaling an awe-inspiring year ahead for the company which would definitely built us in achieving our targeted vision.

I wish to extend my gratitude to all employees, customers, suppliers, bankers, investors and other stakeholders who have equally contributed in the exceptional growth of your Company.....”

9M'FY22 (YOY) Key Financial Highlights

- Reported EBITDA at ₹ 12636.62 Lakhs as compared with ₹ 8840.06 Lakhs in Q3'FY21, grown by 43 %.
- EBITDA to Revenue stands at 16 % in 9M'FY22.
- Net Profit to Revenue increased to 9% from 8 % in 9M'FY21.
- These nine months reflected the strong positive free cash flows at ₹ 9,771.68 Lakhs versus ₹ 6,484.64 Lakhs in 9M'FY21, grown by ₹ 3,287.04 Lakhs which is almost 51 %.
- Finance costs reduced to ₹ 358.22 Lakhs as compared to ₹ 482.83 Lakhs in 9M'FY21.
- EPS improved to ₹ 15.73 from ₹ 8.72 in 9M'FY21.

Q3'FY22 (YOY) Key Financial Highlights

- EBITDA to Revenue stands at 12 % in Q3'FY22 which is equivalent to ₹ 3,530.67 lakhs.
- Net Profit to Revenue at 7% in Q3'FY22.
- The quarter reflected positive free cash flows at ₹ 2,748.22 Lakhs versus ₹ 2,683.32 Lakhs in Q3'FY21, grown by ₹ 64.90 Lakhs.
- EPS improved to ₹ 4.08 from ₹ 3.97 in Q3'FY21.

Business/Future Outlook

- Construction and other related activities are at full swing for our Madhya Pradesh's 500 KLPD Ethanol Plant. We believe to commence production soon in 2023.
- Company has also started the land and site development work at its Assam Location for setting up a 250 KLPD Ethanol plant.
- Recently, Finance minister, **Nirmala Sitharaman** said in her Budget speech that blended fuel is a priority for government. To encourage the efforts for blending of fuel, unblended fuel shall attract an additional differential excise duty with effect from 1st day of October 2022. Petrol not blended with ethanol will be costlier from October, which would prompt retailers, especially private oil companies, to switch to blended fuel across the country. Henceforth, Your Company's Management is much motivated and enthusiastic about future outlook of Ethanol Business.



- *Company is on track with its expansion plans at Grain Processing Units located at Muzaffarnagar and Bharuch.*
- *Company is seeing improvement in demand quarter by quarter including Q3'22. Overall, it expects strong and positive performance in all its segments in last quarter too.*

Disclaimer: *Some statements set forth in this release; including the information relating to Company's expectations under the heading "Business/Future Outlook or elsewhere in this release and other information regarding fiscal 2022 and other future expectations contain forward-looking statements that are subject to change. Statements including words such as "anticipate," "believe," "expect," "intend," "estimate," "plan," "predict," "seek," "goal," "will," "may," "likely," "should," "could" (and the negative of any of these terms), "future" and similar expressions also identify forward-looking statements. These forward-looking statements are not guarantees of future performance and reflect management's current expectations and vision. Our actual results could differ materially from those discussed in the forward-looking statements.*
