

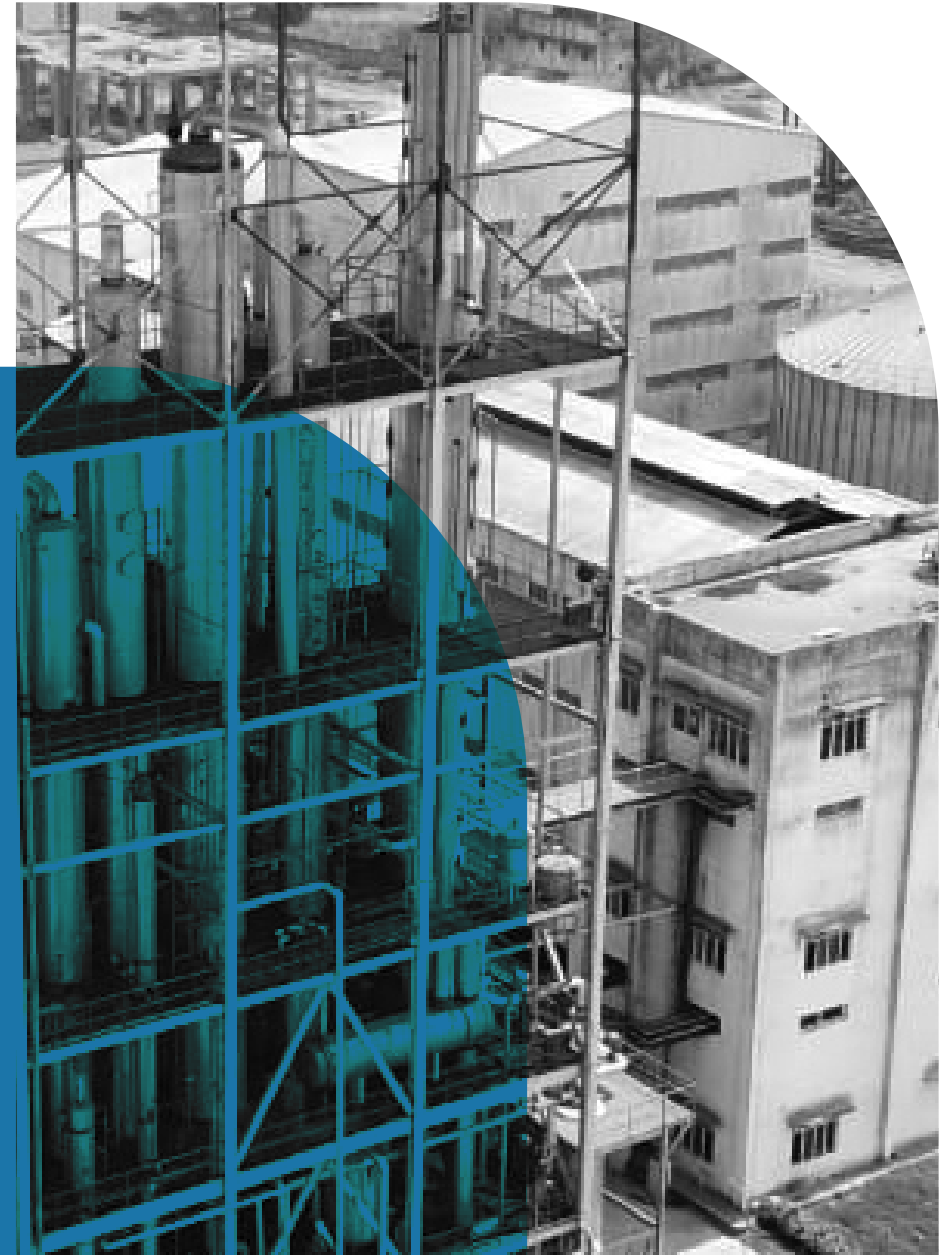


**GULSHAN**  
POLYOLS LIMITED

# GULSHAN POLYOLS LIMITED

Expanding Potential

Investor Presentation **January, 2023**



# Safe harbour

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political, or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Gulshan Polyols Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

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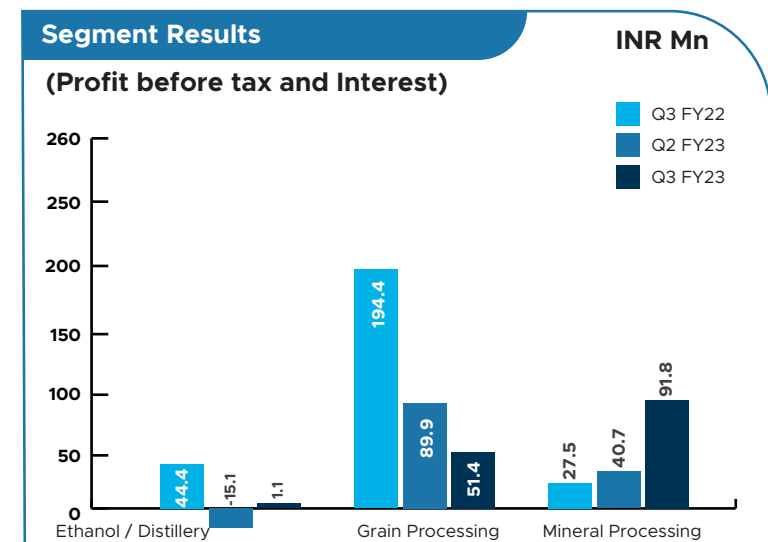
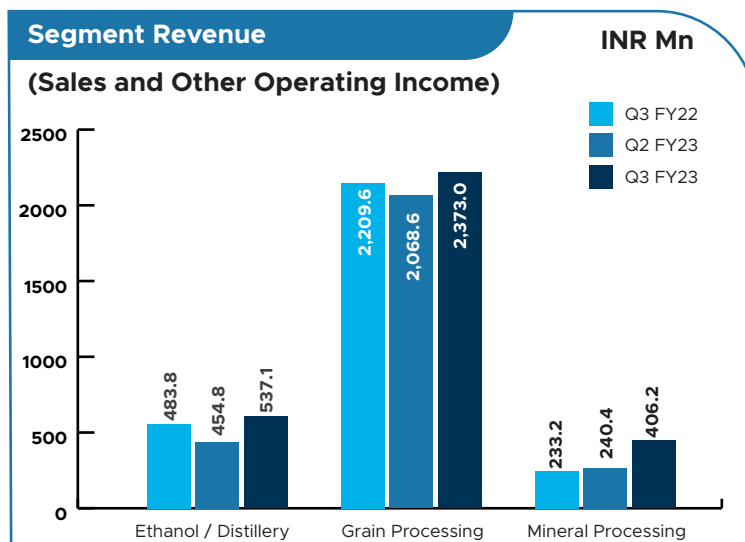
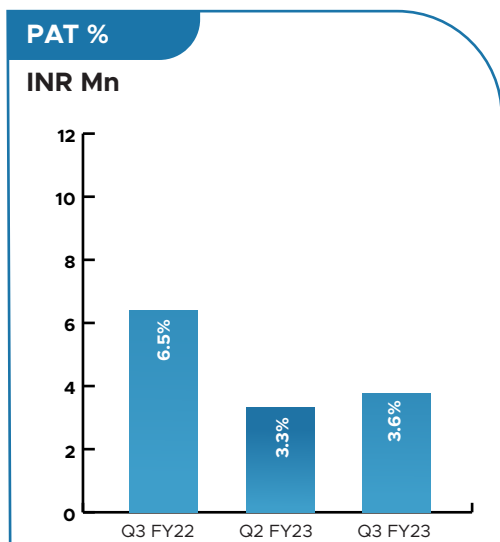
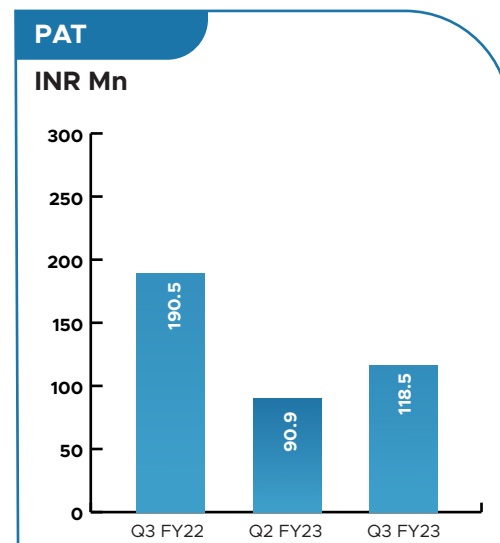
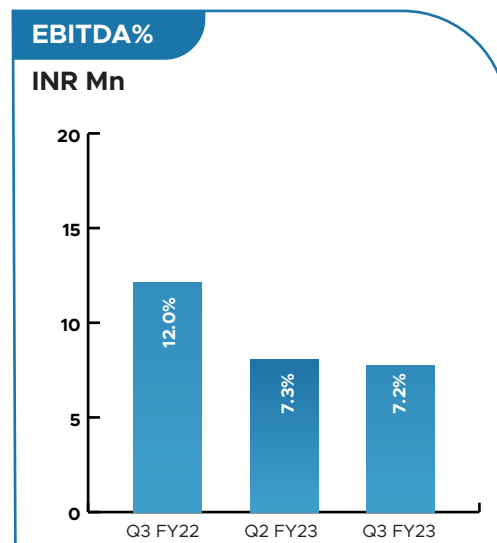
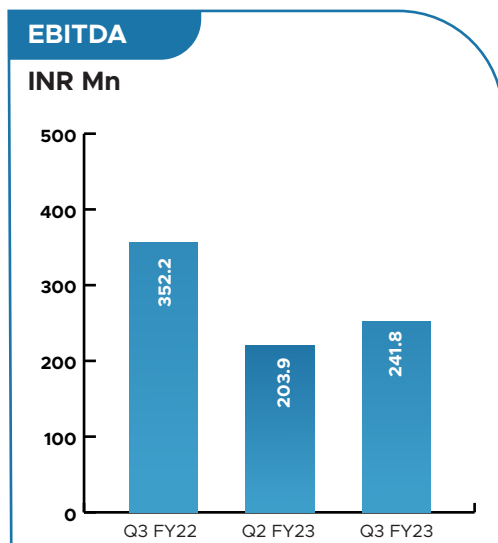
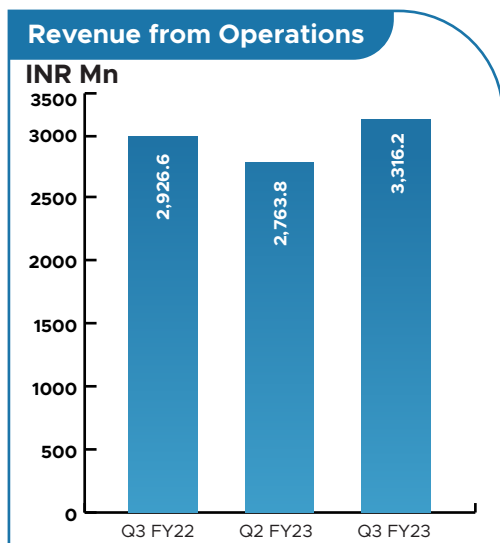
# Company Overview

**Gulshan Polyols Limited ("Gulshan") is a multi-location, multi-product manufacturing company with global presence in 35+ countries**, across various continents. The company features three main business segments namely, **Grain Processing, Ethanol (bio-fuel)/distillery and Mineral Processing**. GULSHAN is amongst one of the **market leaders** in manufacturing **sorbitol, precipitated calcium carbonate (PCC) and wet ground calcium carbonate (WGCC)**. The Company is planning to expand its footprints in Ethanol (bio-fuel)/distillery segment and has embarked on a significant capex plan for manufacturing ethanol using damaged food grains. **By FY25 the Company plans to expand its ethanol capacity to 810 KLPD from current 60 KLPD.**

Gulshan's product portfolio comprises of starch sugars and native starches, calcium carbonate; agro based animal feed, alcohol business & on-site PCC plants. Gulshan is providing solution to diverse range of Industries & niche markets in core sector i.e., from toothpaste to alcohol, from sweeteners to paints, from paper to medicines, from plastics to personal care. Gulshan has an impressive clientele comprising of the nation's Top FMCG's, Leading paint manufactures and many reputed brands. Gulshan was recognized by Government of India as **Star Export House Since year 2016**, for consistent export of products to various parts of the world and holds record for introducing on-site PCC plant as per **Limca Book of Records in 2010**.

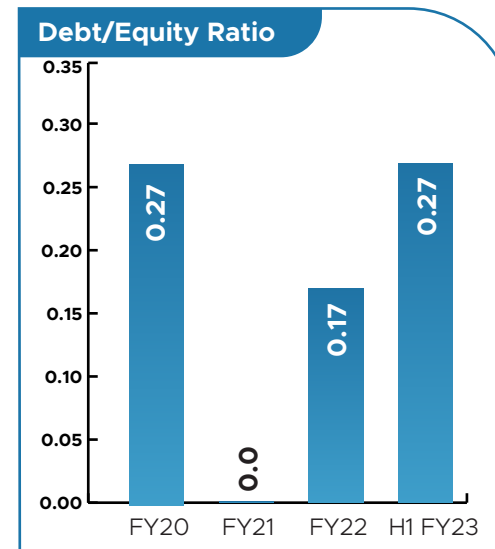
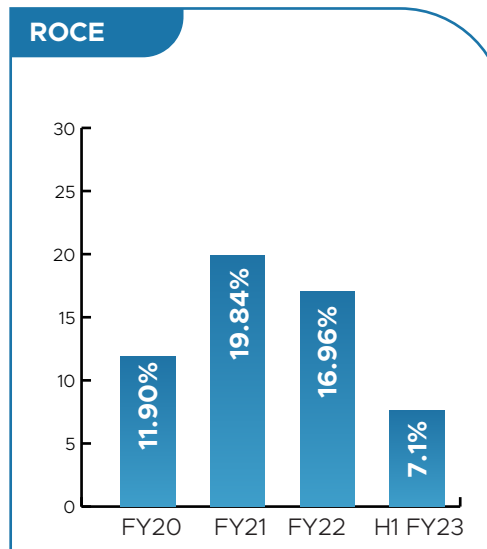
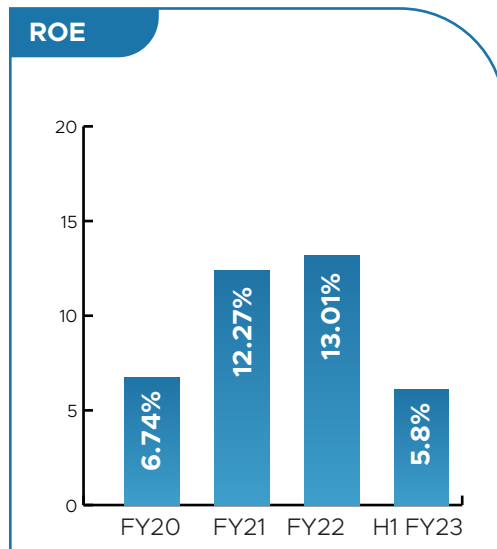
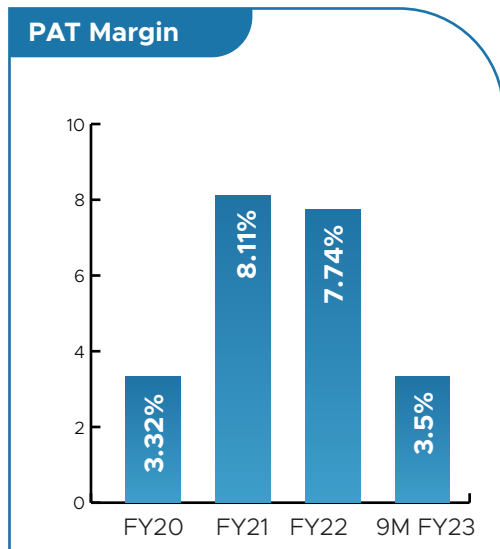
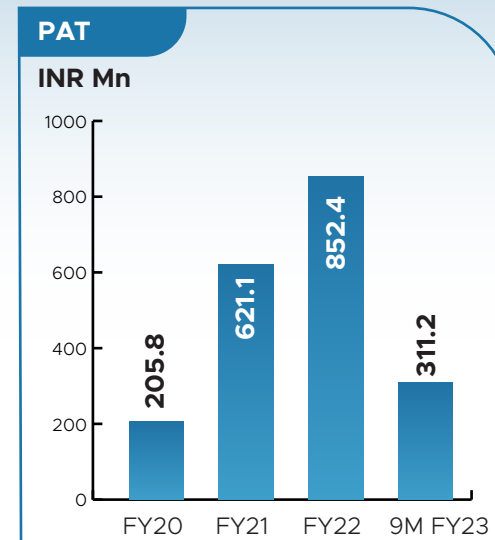
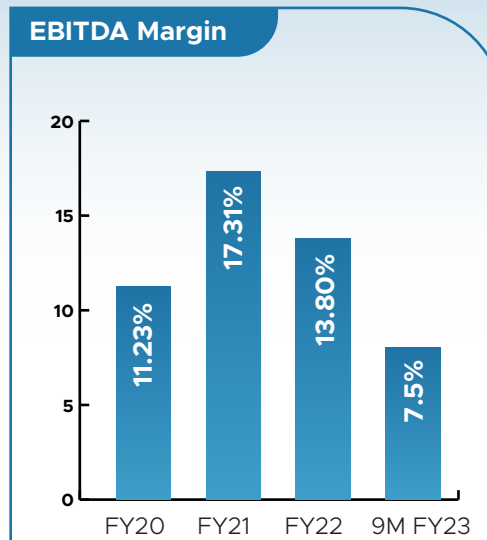
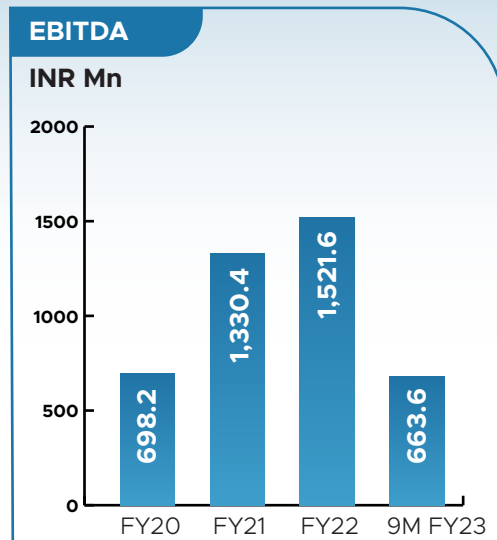
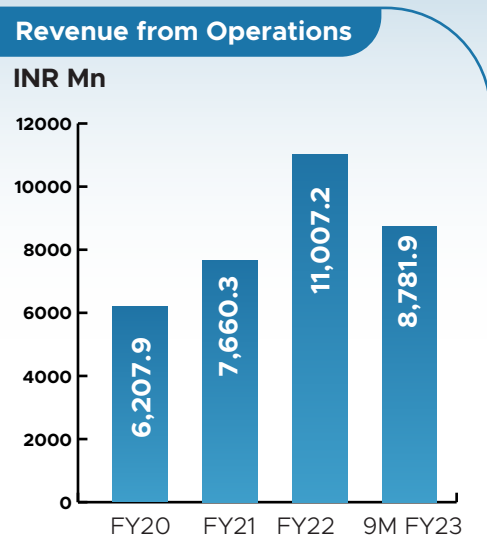


# Quarterly Performance at a glance



(minor differences due to rounding off)

# Financial Snapshot



(minor differences due to rounding off)



# Leadership pool



**Dr. Chandra Kumar Jain**  
Chairman & MD

Gulshan Polyols Ltd. is conceived and promoted by Dr. Chandra Kumar Jain, who is a sugar technologist and has been awarded a doctorate degree in Chemistry. He has been leading the company with a highly experienced team of professionals for 38 years.



**Mrs. Arushi Jain**  
Joint Managing Director

Mrs. Arushi Jain is MS in marketing from City University of New York, USA and Diploma in Banking Technologist from AIB, USA. She overviews operations and technology.



**Mrs. Aditi Pasari**  
Joint Managing Director

Mrs. Aditi Pasari is MBA from Cardiff University, UK. She is actively involved in the day to day Financial planning, Sales and Administrations and managing Investor Relations for the company.



**Mr. Ashwani Kumar Vats**  
CEO & Whole Time Director

Mr. Ashwani K Vats, graduate with PG Diploma in Marketing and Management, has vast experience in the calcium carbonate industry and has been associated with the company for over 3 decades.

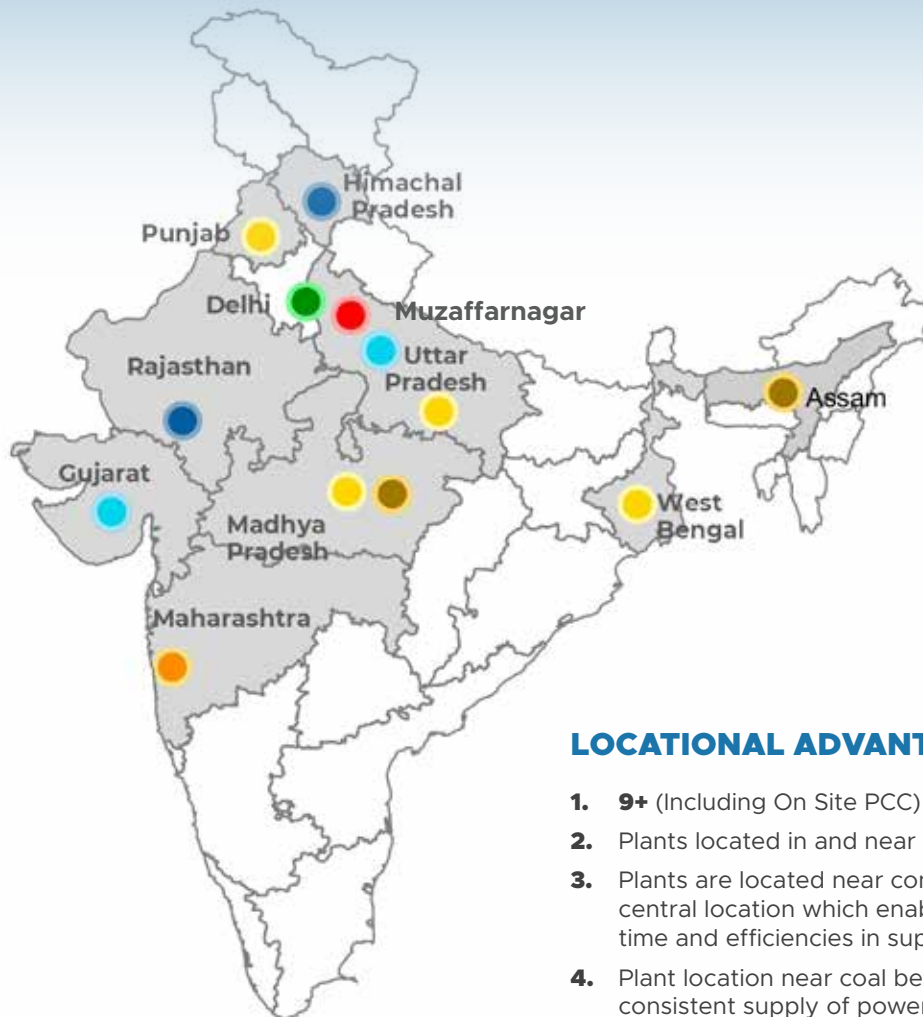


**Mr. Rajiv Gupta**  
Chief Financial Officer

Mr. Rajiv Gupta is a Chartered Accountant by profession with 30 years of rich & varied experience, looks after financial and strategic aspects of the company.

# Our geographical presence

<b>Registered Office :</b> Muzaffarnagar	●
<b>Corporate Headquarters :</b> Delhi	●
<b>Marketing Office :</b> Mumbai	●
<b>MANUFACTURING UNITS</b>	
<b>Grain Processing Units :</b> Gujarat, Uttar Pradesh	●
<b>Ethanol (bio-fuel)/distillery Units :</b> Madhya Pradesh, Assam	●
<b>Mineral Processing Units :</b> Uttar Pradesh, Himachal Pradesh, Rajasthan	●
<b>On-site PCC Plants :</b> West Bengal, Uttar Pradesh, Madhya Pradesh	●



## LOCATIONAL ADVANTAGE

- 1. 9+** (Including On Site PCC) Plants spread across country
- Plants located in and near the raw material belt
- Plants are located near consumption centers and have central location which enables in quicker turnaround time and efficiencies in supply chain
- Plant location near coal belt which allows reliable and consistent supply of power

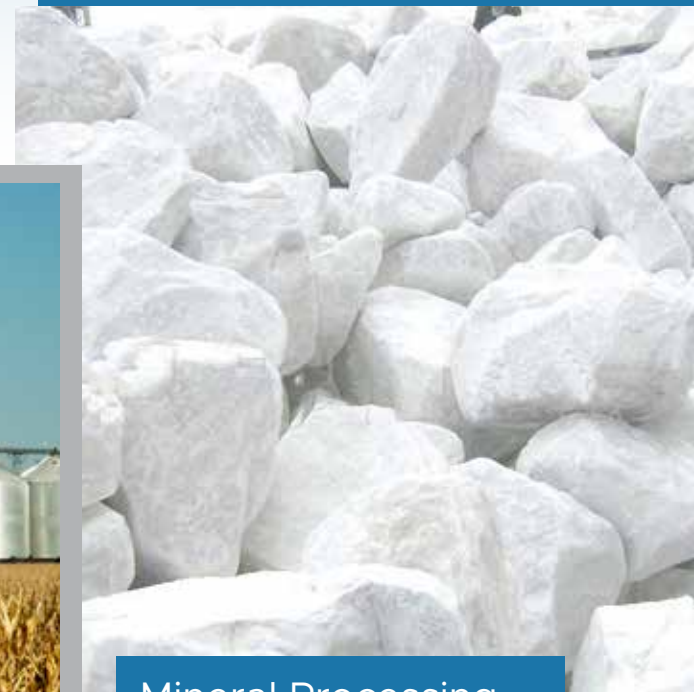
# Segmental overview



Grain Processing



Ethanol (Bio-fuel)/Distillery



Mineral Processing



# Financial performance across Business segment

(INR MN)

Segment Revenue	9M FY22	9M FY23	Segment Results	9M FY22	9M FY23
<b>(Sales And Other Operating Income)</b>			<b>(Profit Before Tax And Interest)</b>		
Ethanol (Bio-fuel)/Distillery	1,447.8	1445.0	Ethanol (Bio-fuel)/Distillery	228.5	-10.0
Grain Processing	5,965.0	6,447.4	Grain Processing	694.9	252.4
Mineral Processing	670.4	889.6	Mineral Processing	89.9	169.4

(INR MN)

FISCAL	FY22			FY21		
Particulars	Grain Processing	Ethanol	Mineral Processing	Grain Processing	Ethanol	Mineral Processing
Revenue From operations	8,091.5	1,972.9	940.9	5,408.0	1,326.9	923.7
Segment profits	814.0	245.3	127.8	663.1	157.9	172.9
Segment margins	10.06%	12.4%	13.5%	12.2%	11.9%	18.7%

# Capex update

**Gulshan** is looking at a total capex of **INR 4,500 MN** over the next 12 months, out of which **INR 3,000 MN** will be required to set up the 500 KLPD Ethanol plant in the state of M.P. and **INR 1,500 MN** will be required for expanding the aggregate capacities across the grain processing division.

Further, an estimated additional capex of **INR 1,850 MN** is to be deployed for ethanol plant in Assam over next 24 months.

The Company has funded this Capex through a loan of **INR 1,700 MN** from HSBC Bank for the Ethanol facility in M.P, and from proceeds of the Qualified Institutions Placement (“QIP”) and internal accruals.

## BUILDING CAPACITIES FOR THE ETHANOL SEGMENT

The Company has embarked on a humungous capex plan to build two plants dedicated to the production of Ethanol for the Government’s Ethanol Blending in Petroleum Programme- 2025. The sites are located at two locations viz.

### 500KLPD plant at Boregaon, Madhya Pradesh

The aforementioned capital expenditure is proceeding as planned. The company expects to commission this plant by FY 2023.

The company had a total sanction of **INR 1,700 MN** from HSBC for the construction of the 500 KLPD facility at Boregaon, Madhya Pradesh, and the total loan amount has been disbursed till December 31, 2022.

### 250 KLPD Ethanol Plant at Goalpara, Assam.

Company has started land and site developmental work at its Goalpara site at Assam for setting up a 250 KLPD Ethanol plant to take care of its next leg of growth.

## Grain Processing Division

The planned Capex for upgradation of capacities of the grain processing division in Gujurat and U.P. is ~ **INR 1,500 MN**. The company expects ~ 20% increase in total combined capacities of the plants. The Company is progressing well on the said capex.

# Quarterly profit & loss statement

Particulars (INR Mn)	Q3 FY23	Q3 FY22	YoY%	Q2 FY23
Revenue from Operations	3,316.2	2,926.6	13.3%	2,763.8
Other Income	21.7	1.0		13.5
<b>Total Income</b>	<b>₹3,338.0</b>	<b>₹2,927.6</b>	<b>14.0%</b>	<b>₹2,777.3</b>
Total Expenses excluding Depreciation, Amortization & Finance Cost	(3,096.1)	(2,575.4)		(2,573.4)
<b>EBITDA</b>	<b>241.8</b>	<b>352.3</b>	<b>-31.4%</b>	<b>203.9</b>
<b>EBITDA Margin (%)</b>	<b>7.2%</b>	<b>12.0%</b>		<b>7.3%</b>
Finance Cost	(15.2)	(16.0)		(14.9)
Depreciation	(72.1)	(83.5)		(71.2)
<b>PBT</b>	<b>154.6</b>	<b>252.7</b>		<b>117.8</b>
Tax Expenses	(36.0)	(62.2)		(26.9)
<b>PAT</b>	<b>118.5</b>	<b>190.5</b>	<b>-37.8%</b>	<b>90.9</b>
<b>PAT Margin %</b>	<b>3.6%</b>	<b>6.5%</b>		<b>3.3%</b>
Other Comprehensive Income/(expense)	0.0	(0.4)		(0.1)
<b>Net PAT</b>	<b>118.5</b>	<b>190.1</b>		<b>90.8</b>
<b>Diluted EPS</b>	<b>2.3</b>	<b>3.8</b>		<b>1.8</b>

## Financial Performance Comparison:

### Q3 FY23 v/s Q3 FY22

Revenue from operations increased by 13.3% to ₹3,316.2 Mn in Q3 FY23 from ₹2,926.6 Mn in Q3 FY22. The revenue growth was led by healthy demand for products across all our segments.

EBITDA decreased by 31.4% from ₹352.3 Mn in Q3 FY22 to ₹241.8 Mn in Q3 FY23 and margins contracted from 12.0% in Q3 FY22 to 7.2% in Q3 FY23 owing to elevated commodity prices impacting raw material and power & fuel cost. However, on a sequential basis, margins remained stable from 7.3% in Q2 FY23 to 7.2% in Q3 FY23.

PAT stood at ₹118.5 Mn in Q3 FY23, compared to ₹190.5 Mn in Q3 FY22 recording a decline of 37.8% due to operational factors as mentioned above.

(minor differences due to rounding off)

# Income statement highlights for 9M FY23 v/s 9M FY22

Particulars (₹ in Mn)	9M FY23	9M FY22	YoY%
Revenue from Operations	8,781.9	8,085.0	8.6%
Other Income	39.9	9.5	
<b>Total Income</b>	<b>₹8,821.8</b>	<b>₹8,094.4</b>	<b>9.0%</b>
Total Expenses excluding Depreciation, Amortization & Finance Cost	(8,158.2)	(6,832.8)	
<b>EBITDA</b>	<b>663.6</b>	<b>1,261.6</b>	<b>-47.4%</b>
<b>EBITDA Margin (%)</b>	<b>7.5%</b>	<b>15.6%</b>	
Finance Cost	(40.9)	(35.8)	
Depreciation	(213.9)	(239.3)	
<b>PBT</b>	<b>408.7</b>	<b>986.5</b>	
Tax Expense	(97.5)	(250.7)	
<b>PAT</b>	<b>311.2</b>	<b>735.8</b>	<b>-57.7%</b>
<b>PAT Margin %</b>	<b>3.5%</b>	<b>9.1%</b>	
Other Comprehensive Income/(expense)	0.0	1.3	
<b>Net PAT</b>	<b>311.2</b>	<b>734.5</b>	
<b>Diluted EPS</b>	<b>6.0</b>	<b>14.9</b>	

## Financial Performance Comparison :

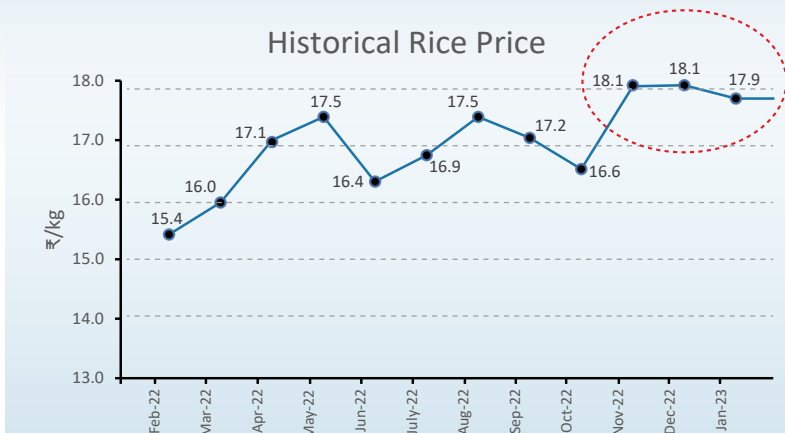
### 9M FY23 v/s 9M FY22

Revenue from operations have remained stable to ₹8,781.9 Mn in 9M FY23 from ₹8,085.0 Mn in 9M FY22.

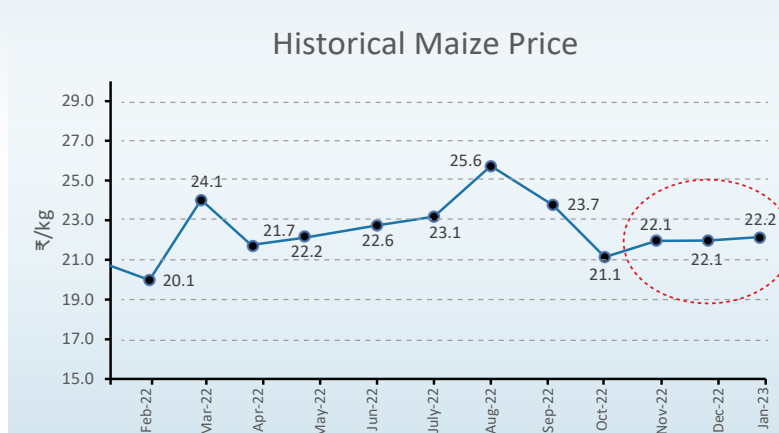
EBITDA decreased by **47.4%** from ₹1,261.6 Mn in 9M FY22 to ₹663.6 Mn in 9M FY23 and margins contracted from **15.6%** in 9M FY22 to **7.5%** in 9M FY23.

PAT stood at ₹311.2 Mn in 9M FY23, compared to ₹735.8 Mn in 9M FY22 recording a decline of **57.7%**.

# Softening of Key Input Costs will Aid our Margins Going Forward



Source: [https://in.investing.com/commodities/rough-rice-historical-data?end\\_date=1673202600&st\\_date=1641666600&interval\\_sec=monthly](https://in.investing.com/commodities/rough-rice-historical-data?end_date=1673202600&st_date=1641666600&interval_sec=monthly)



Source: [https://in.investing.com/commodities/ncdex-maize-feed-futures-historical-data?end\\_date=1673202600&st\\_date=1641666600&interval\\_sec=monthly](https://in.investing.com/commodities/ncdex-maize-feed-futures-historical-data?end_date=1673202600&st_date=1641666600&interval_sec=monthly)



Source: <https://tradingeconomics.com/commodity/coal>



# Management guidance/ financial outlook

Revenue from operation to grow exponentially in FY24 over FY22, on back of significant capacity expansion in Ethanol (Bio-Fuel)/Distillery and Grain Processing segment.

The management expects EBITDA margin to improve in Q4 FY23 due to softening of basic raw material prices and declining coal prices which will lower our power and fuel cost.

With the addition of capacities in the ethanol segment, the revenue mix will change. Currently, **~75%** of the revenue is contributed by grain processing segment, about **17%** from Ethanol processing segment and Balance **8%** from Mineral processing segment. After commissioning of new capacities, management is expecting **~50%** revenue from Ethanol segment and balance **~50%** from grain processing segment. The contribution from mineral processing segment will gradually decrease.

# Capital market information

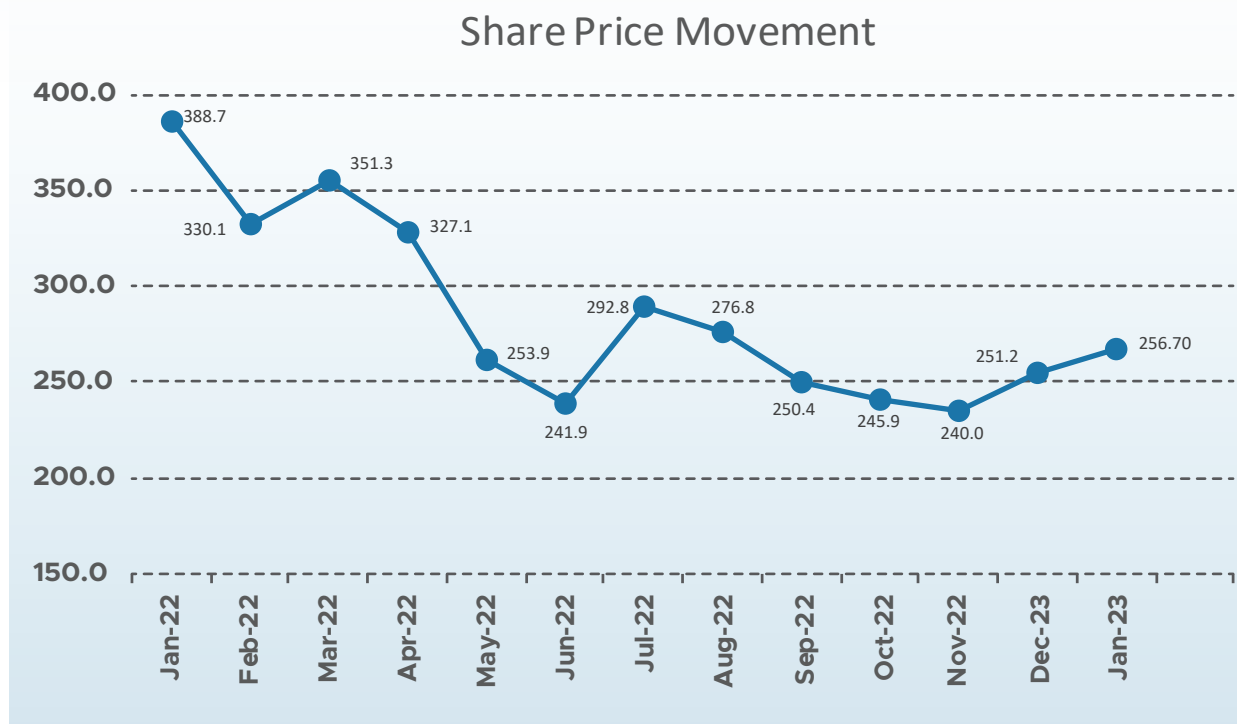
## Shareholding Pattern as on 31st December, 2022

Particulars	
Promoter and Promoter Group	66.65%
Public	29.27%
Mutual Funds & FPIs	3.85%
Employee Trust	0.23%
<b>TOTAL</b>	<b>100.00%</b>

## Market Indicators

Issued Shares	5,19,75,489
Share Price (17-01-2023)	256.70
Market Cap (₹ MN)	13,342.1
52 Weeks High/Low	429.0/204.7

## Stock Performance Of Last One Year



Source BSE



**GULSHAN**  
POLYOLS LIMITED

**THANK YOU**

For further information on the Company, please visit  
[www.gulshanindia.com](http://www.gulshanindia.com)

**Asha Mittal**

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