

GULSHAN
POLYOLS LIMITED

EXPANDING POTENTIAL

INVESTOR PRESENTATION 2022

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1. ETHANOL AND DISTILLERY
2. GRAIN PROCESSING DIVISION
3. MINERAL PROCESSING DIVISION



01

COMPANY OVERVIEW



“The year 2021 has outlined the need of being prepared, adaptive, and resilient. It is my pleasure to report that Gulshan Polyols has performed exceptionally amid the unprecedented challenges posed by the Covid-19 Pandemic. We made transformative organizational changes over the year that allowed us to weather the storm and emerge as a faster-growing organization.

GPL has accelerated its expansion plan in both existing and new geographies, emphasizing growth potential in the Indian bio-ethanol space. Our theme - Expanding Potential, underpins our focus strategies and demonstrates our commitment to a sustainable tomorrow.”

Dr. Chandra Kumar Jain
Chairman & Managing Director

Our Mission



To be a profitable, efficient and customer focused organization, recognized as a leading supplier of quality products and services.

Our Vision



Achieve, Expand,
Innovate, Evolve.

INDIA'S LEADING MULTI-PRODUCT MANUFACTURER



EXPERIENCED LEADERSHIP AT THE HELM



Dr. C. K. Jain

*Chairman & Managing Director,
Gulshan Polyols Limited*

Gulshan Polyols Limited is conceived and promoted by Dr C.K. 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. Jain is MS in marketing from City University of New York, USA and Diploma in Baking Technologist from AIB, USA. She overviews operations and technology.



Mrs Aditi Pasari

Joint Managing Director

Mrs. 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 K Vats

Executive Director & CEO

Mr. Vats, Graduate with P.G. 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. Gupta is a Chartered Accountant by profession with 30 years of rich and varied experience, looks after the Financial, Accounting and Taxation work of the Company.



02

STRATEGIC OVERVIEW

Expanding Existing Capabilities

Ethanol and Distillery

The Company has initiated a multi-fold brownfield expansion of its grain-based ethanol manufacturing facility at its existing site in Chhindwara, Madhya Pradesh.

Focus: Ethanol

➔ Expected topline: ₹ 1,000 crore

Grain Processing

Maize and Rice processing

Expanding the existing capacities of maize and rice-based units in Muzaffarnagar, Uttar Pradesh, and Bharuch, Gujarat.

Focus: Starch and Starch derivatives

➔ Expected topline: ₹ 1,200 crore

EXPECTED
TOTAL REVENUE
FY 2023-24

₹ 2,300 CRORES

Mineral Processing

Growth in on-site PCC and calcium carbonate business will be driven by the modernisation drive for paper mills.

➔ Expected topline: ₹ 100 crore

FUND RAISING AND QIP UPDATE

- On March 24, 2022 the Board of Directors of Gulshan Polyols Ltd. has approved the allotment of 24,16,000 Equity shares to eligible qualified institutional buyers at the issue price of ₹ 326.48 per Equity Share (including a premium of ₹325.48 to the face value of ₹1 per Equity Share) which is at a discount of 5 % (i.e. ₹17.18 per Equity Share), to the Floor Price of ₹343.66 aggregating to ₹ 78,87,75,680 (Rupees Seventy Eight Crore Eighty Seven Lakh Seventy Five Thousand Six Hundred Eighty Only) pursuant to the issue.
- The Issue opened on March 21, 2022 and closed on March 24, 2022.
- Pursuant to the allotment of Equity Shares in the QIP, the paid – up equity share capital of the Company stands increased to ₹49,333,020 comprising of 49,333,020 equity shares of face value of ₹1 each.
- The issue is backed by long term marquee investors.

CAPEX UPDATE

- Company is looking at a total capex of ₹ 450 crores over the next 12 months, out of which ₹300 crores will be required to set up the 500 KLPD Ethanol plant in the state of M.P. and ₹150 crores will be required for expanding the aggregate capacities across the grain processing division.
- Company has a loan approval of ₹ 170 crores from HSBC bank to set up the 500 KLPD Ethanol plant in M. P., out of which company has taken the first disbursement of ₹50 crores on 09th march 2022. It has also successfully raised ₹78.87 crores through QIP placement of its equity shares on 24th March 2022.
- The company has already placed orders for plant and machinery of ₹180 crores out of which approximately ₹130 crores has already been spent by the company to set up the 500 KLPD Ethanol plant in M. P. Balance investment will be completed by October 22.
- The company has placed orders for plant and machinery and construction work of ₹60 crores in grain processing division.
- Company has started land and site developmental work at its Goalpara site at Assam for setting up a 250klpd Ethanol plant to take care of its next leg of growth.

SUBSIDIES PROPOSED BY STATE GOVT. FOR ETHANOL PROJECTS

MADHYA PRADESH		
S. No.	Kind of Concession	Concessions sought by the Company (Rs.)
1.	Production Linked Fiscal Assistance @ Rs. 1.50 Per Liter for 7 years	173,25,00,000
2.	One-time reimbursement on Stamp Duty & Registration charges	44,04,000
3.	Electricity duty exemption on Captive Power plant for 5 years	31,41,00,000
	Electricity duty exemption on Grid for 5 years	20,94,000
4.	Zero Liquid Discharge	10,00,00,000
5.	Investment Promotion Assistance on Plant & Machinery @ 40% of Plant & Machinery	86,00,00,000
Total		301,30,98,000

ASSAM	
Northeast Industrial Development Scheme, DPIIT (NEIDS)	
Year	Total
Component	
CCIIAC (Capital Subsidy)	5,00,00,000
CII (Interest on W/C)	13,20,00,000
CCII (Insurance incentive)	1,00,13,000
CGST & IGST (58%)	58,12,46,798
IT reimbursement (Income Tax)	68,58,54,419
Transport Incentive	-
Employment Incentive (EPF/EPS)	54,00,000
Total	1,46,45,14,217
Assam Industrial & Investment Policy 2019 (AIIP)	
Year	Total
SGST	91,85,73,702
Power	2,50,00,000
Interest on W/capital	2,50,00,000
Employee Incentives	3,00,000
ETP	25,00,000
Total	97,13,73,702
Ethanol Production & Promotion Policy of Assam 2021 (EPPPA)	
Year	Total
SGST	32,56,66,897
Power	3,75,00,000
Interest on W/capital	2,50,00,000
Employee Incentives	30,00,000
Total	39,11,66,897
TOTAL INCENTIVE	2,82,70,54,816

500 KLPD ETHANOL PLANT IN BORGAON, MADHYA PRADESH-

500 KLPD Ethanol project in the state of Madhya Pradesh is progressing successfully and the following milestones have been achieved

- Order placement of major bought out equipment's and overseas deliveries has been completed and local deliveries are being received.
- Civil work of major equipment foundation is completed and minor drains, floors, and roads likely to complete by September 2022.
- Equipment erection work under progress and likely to complete by end of November 2022.
- Piping and Electrical installation work likely to complete by October, 2022.
- Equipment's trial run and Commissioning is planned from 3rd week of December.

Pics of Work in Progress of 500 klpd Ethanol plant in M.P.



Pics of Work in Progress of 500 klpd Ethanol plant in M.P.



Land and site development work for 250 KLPD Ethanol Plant In Goalpara, Assam



GRAIN PROCESSING DIVISION - UPDATE

- Grain processing facilities in Gujrat and Uttar Pradesh's expansion project is progressing successfully.
- Company has spend more than 60 crores in updating the Power plant and Grain unloading, cleaning and grain storage system to apply automation in grain handling and improving overall efficiency of the plant.





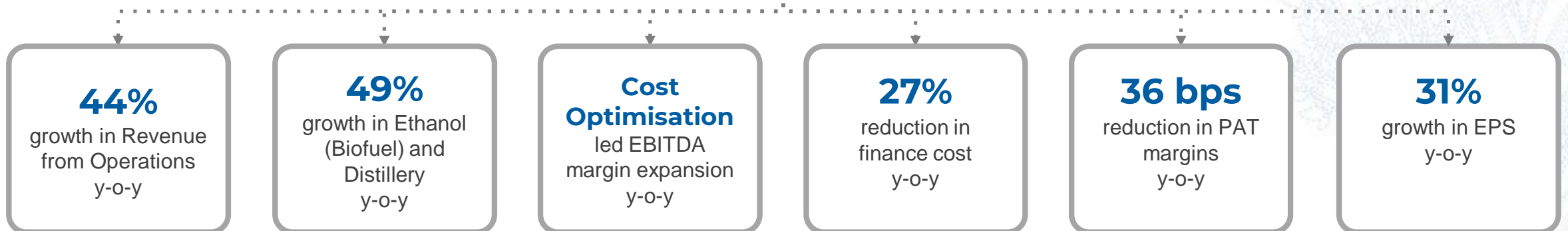
03

PERFORMANCE OVERVIEW

Financial Performance



Operational Highlights



INCOME STATEMENT Q4 FY 2021-22

Particulars (₹ crore)	Q4 FY 2021-22	Q4 FY 2020-21	Q3 FY 2021-22
Total Income	293	229	293
Operating Expenses	267	184	258
EBITDA	26	45	35
EBITDA Margins %	8.90%	19.64%	12.04%
Depreciation and Amortization Expense	9	9	8
Finance Cost	1	2	2
PBT	16	34	25
Total Tax	4	13	6
PAT	12	21	19
PAT Margins %	3.99%	9.33%	6.51%
Other Comprehensive Income	-	-	-
Total Comprehensive Income	12	22	19
EPS (₹)	2.24	4.28	3.84



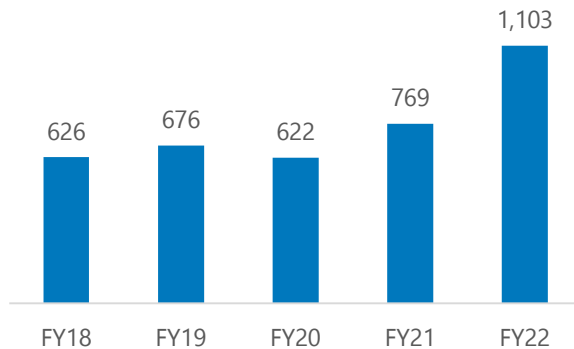
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FINANCIAL OVERVIEW

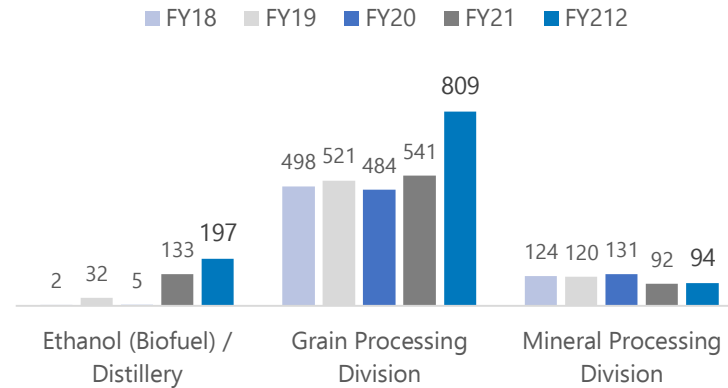
INCOME STATEMENT

Particulars (₹ crore)	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
Total Income	1103	769	622	676	626
Operating Expenses	951	636	552	590	555
EBITDA	152	133	70	86	71
EBITDA Margins %	13.82%	17.37%	11.23%	12.70%	11.35%
Depreciation and Amortization Expense	32	32	31	44	36
Finance Cost	5	7	11	14	11
PBT	115	94	27	27	24
Total Tax	30	32	7	6	5
PAT	85	62	21	21	18
PAT Margins %	7.74%	8.11%	3.32%	3.18%	2.92%
Other Comprehensive Income	0	1	(1)	-	-
Total Comprehensive Income	85	63	20	21	18
EPS (₹)	16.40	12.53	4.39	4.57	3.89

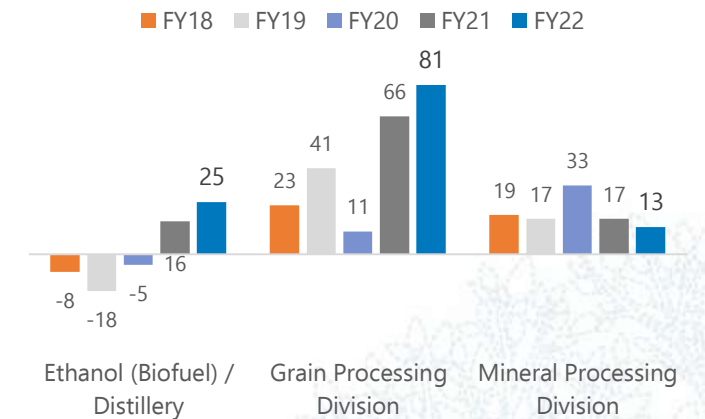
TOTAL INCOME (₹ crore)



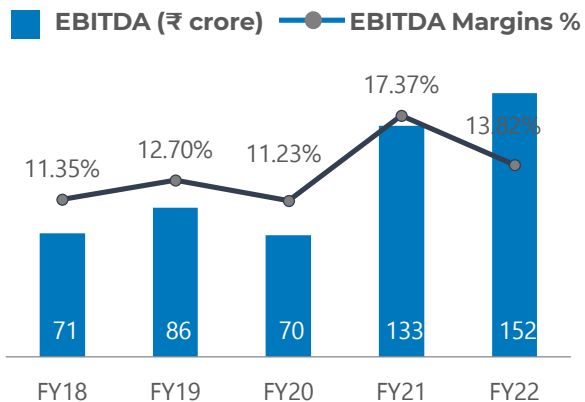
SEGMENTAL REVENUE (₹)



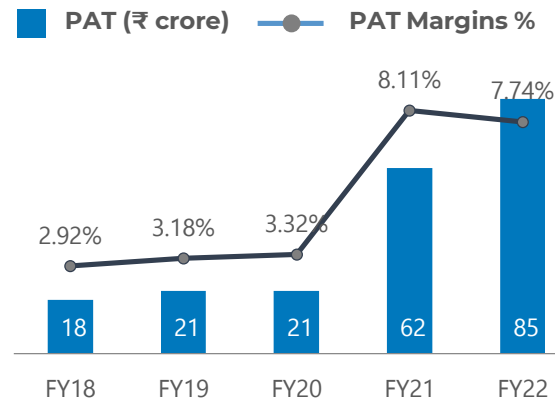
SEGMENTAL EBIT (₹ crore)



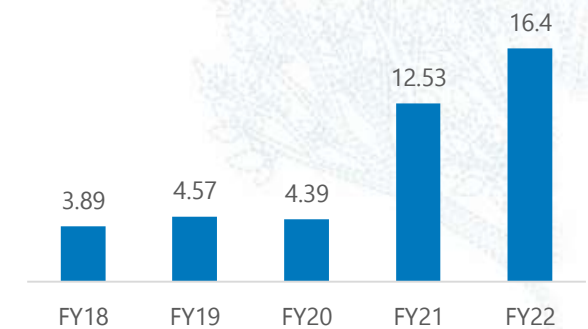
EBITDA (₹ crore) / EBITDA margins



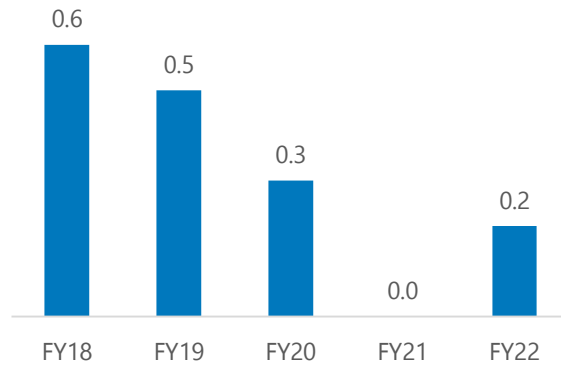
PAT (₹ crore) / PAT Margins %



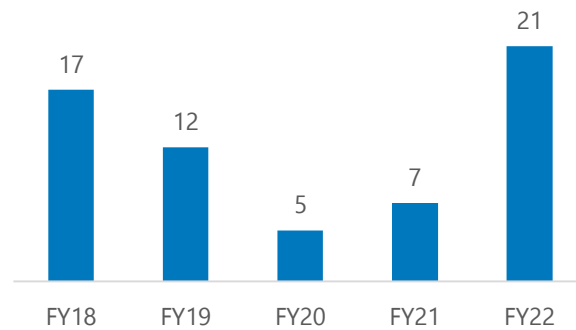
EARNINGS PER SHARE (₹)



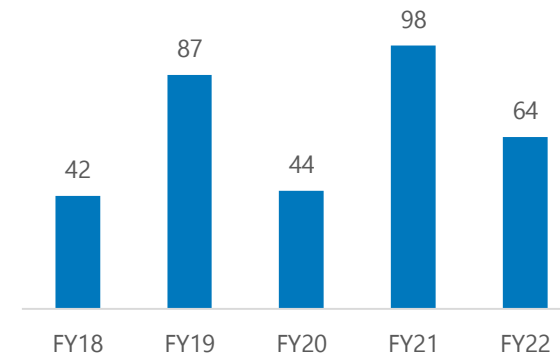
GROSS D/E (x)



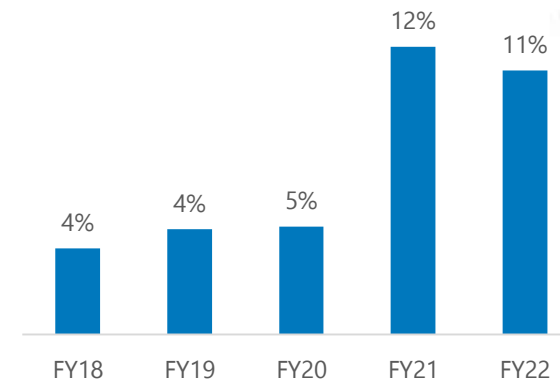
Price to Earnings



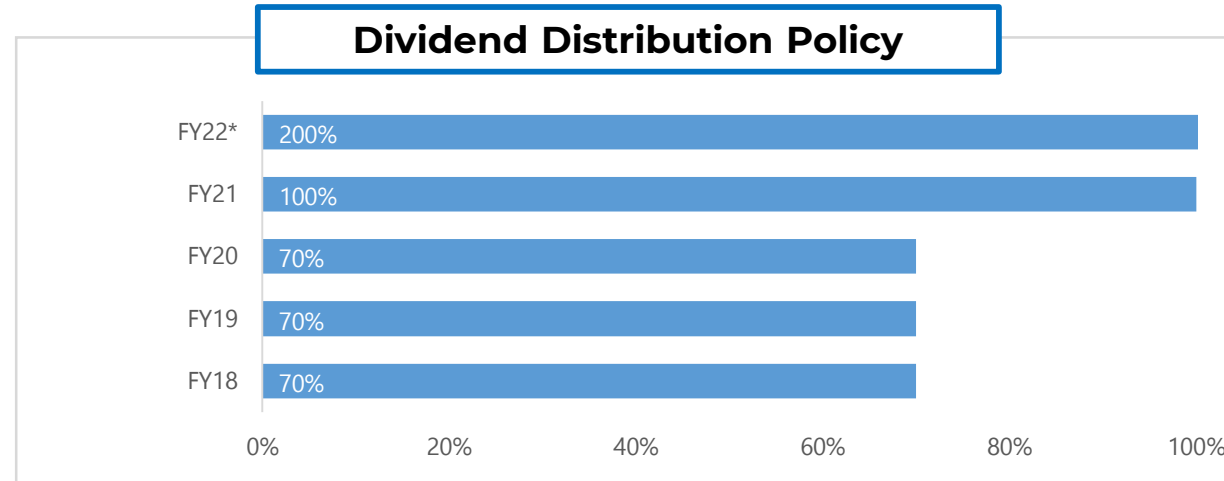
CASH FLOW FROM OPERATIONS (₹ crore)



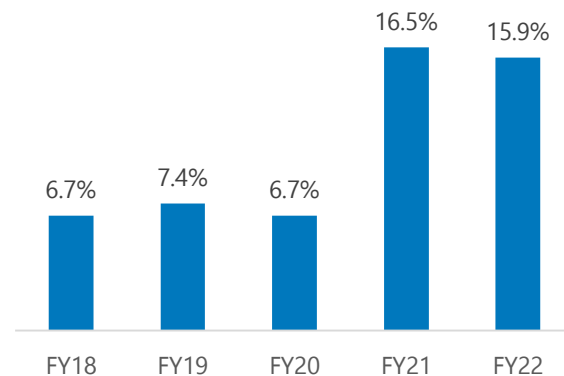
RETURN ON ASSET %



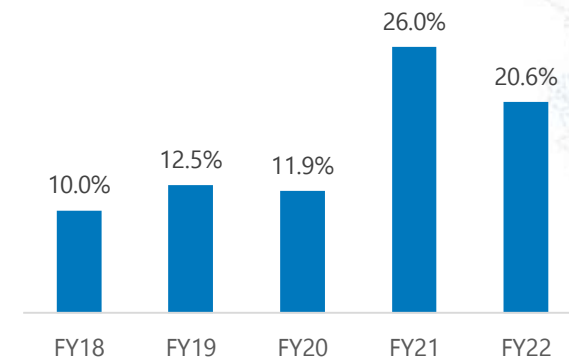
D/E: Debt to Total Equity



RETURN ON EQUITY %



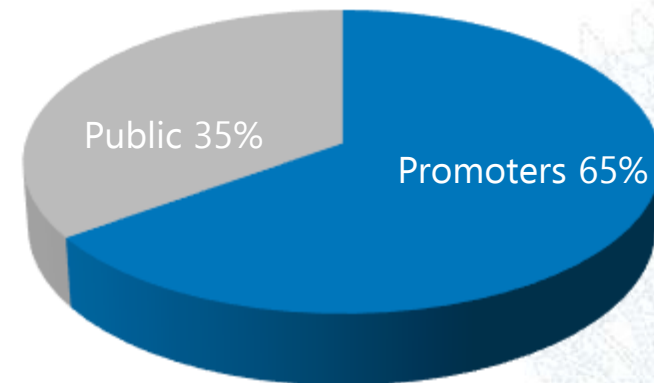
RETURN ON CAPITAL EMPLOYED %



Price Data (As on March, 31st 2022)

Face value (₹)	1.0
Market Price (₹)	351.25
52 Week H/L (₹)	429/158.20
Market Cap (₹ Cr)	1630.37 (NSE)
Equity Shares Outstanding (Cr)	5.2

Shareholding Pattern as on 31st March 2022



**ETHANOL AND
DISTILLERY**



**GRAIN PROCESSING
DIVISION**



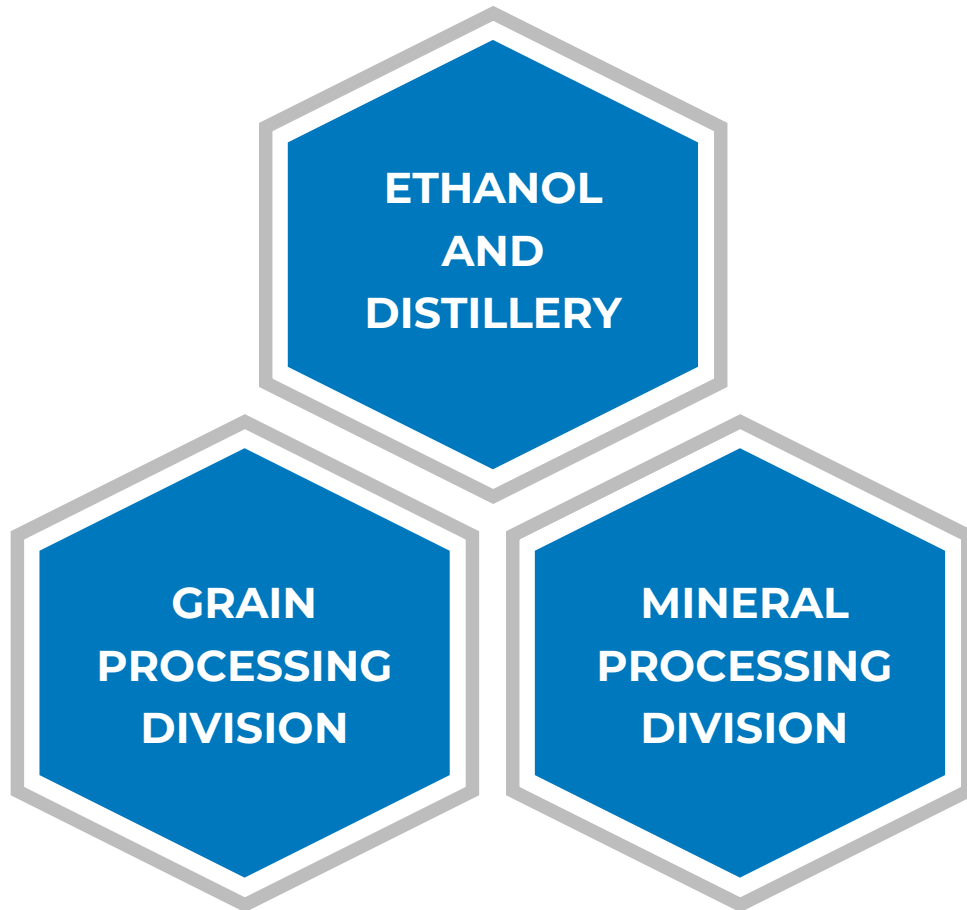
**MINERAL PROCESSING
DIVISION**



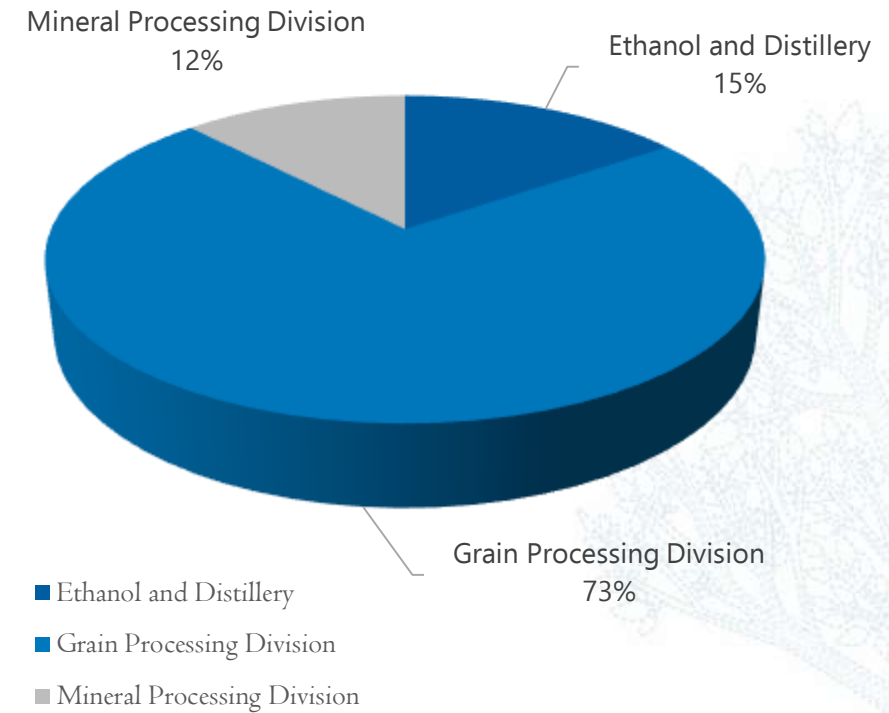
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BUSINESS SEGMENTS

BUSINESS SEGMENTS – PRODUCT PORTFOLIO



REVENUE BREAKUP (%) FY 2020-21



ETHANOL AND DISTILLERY



GRAIN PROCESSING DIVISION



MINERAL PROCESSING DIVISION



05

1. ETHANOL AND DISTILLERY

ETHANOL TO DRIVE THE NEXT LEG OF GROWTH

What we produce

- ☐ Ethanol from Damaged Food Grain

Other Products

- ☐ Country Liquor
- ☐ Grain-based ENA
- ☐ DDGS

Estimation of Demand & Supply of Ethanol for 2025 – INDIA			
			(in Cr Liter)
Particulars	20% ethanol blending	Other Uses	Total
Total Requirement	900	300*	1200
From Sugar Sector	510	150	660
The balance / shortfall will have to met from grain/maize etc	390	150	540
Existing & Required Capacities			
Particulars	Molasses Based	Grain Based	Total
Supply requirement by 2025	660	540	1200
Capacity required in 2025 (@ 80%** efficiency)	825	675	1500
Existing ethanol / alcohol capacity	426	258	684
Capacity addition from sanctioned projects	93 (will be added by March 22)		93
Capacity to be added	306	417	723

* at present 260 Cr Liter requirement is of potable & chemical sector

** additional capacity (80% of 1500=1200) has been taken to account operational efficiency, raw material availability in various parts of country due to natural calamity etc, increase in demand in ethanol due to economic factors and anticipated demand of ethanol in flexi fuel vehicles.

Source: 'Roadmap for Ethanol Blending in India 2020-25, June 2021

Core Competencies

- ☐ State of the art technologically advanced ethanol distillery plant
- ☐ Strategic location for supplying neighboring states of Maharashtra and **Madhya Pradesh**, as well as **Assam** and entire North-East Zone, being well connected to national highways for countrywide distribution

ETHANOL CAPACITIES AND FEEDSTOCK REQUIREMENT

- To produce 660 Cr Ltrs of ethanol by sugar industry, other than molasses 60 Lakh ton of surplus sugar would be diverted to ethanol.
- To produce 540 Cr Ltrs of ethanol/alcohol from food grains, about 135 Lakh ton of food grains would be utilized.
- To achieve blending target of **20% target by 2023** and to meet the demand of other sectors, **additional capacity of about 723 Cr Ltrs required by 2024-25.**

ETHANOL SHORTFALL IN INDIA BY 2025

Ethanol Deficit by 2025

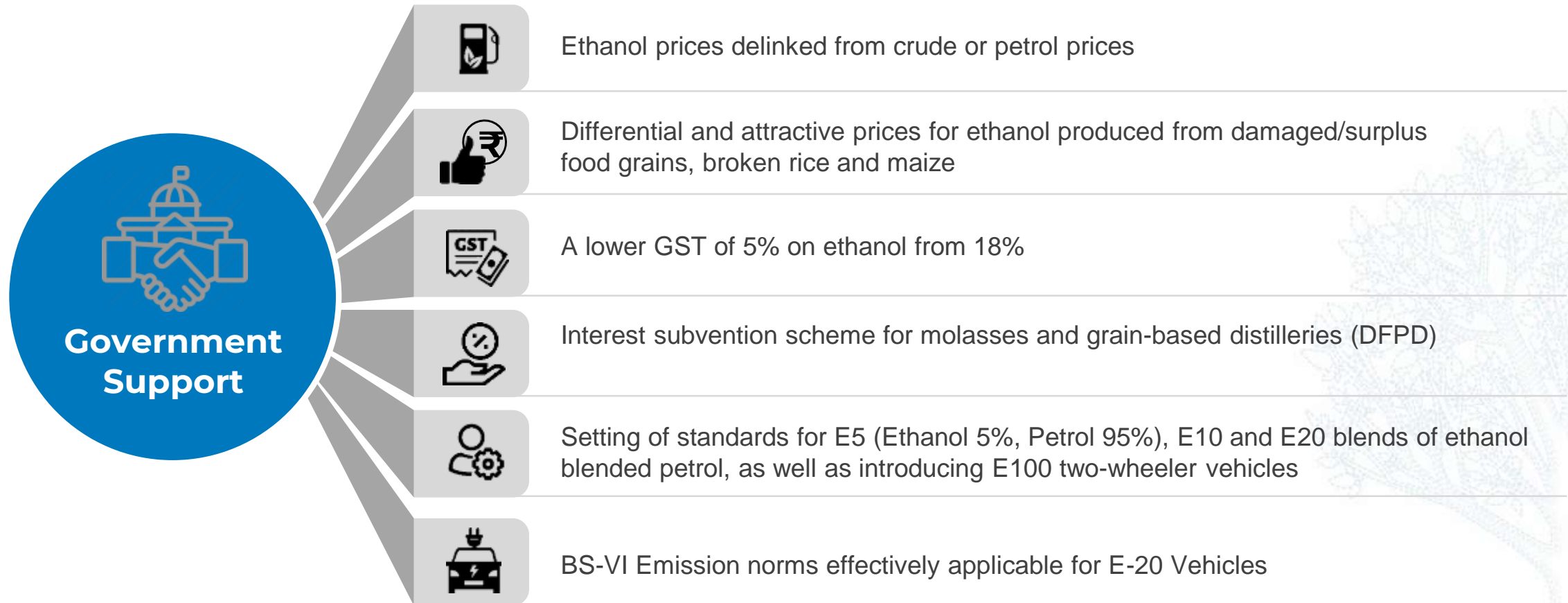
Zonal Region	Ethanol Deficit	Actual Ethanol Deficit in Region		Zonal Region	Ethanol Deficit	Actual Ethanol Deficit in Region
North Zone				Central Zone		
Ladakh	-2	-20		Madhya Pradesh	-29	-62
J & K	-12			Uttar Pradesh	-4	
Punjab	7			Uttarakhand	-13	
Himachal Pradesh	-9			Chattisgarh	-16	
Chandigarh	-4			East Zone		
North West				Bihar	-8	-85
Haryana	-20	-117		Orissa	-26	
Delhi	-37			West Bengal	-33	
Rajasthan	-60			Jharkhand	-18	
West Zone				North East Zone		
Gujarat	-44	-51		Sikkim	0	-29
Maharashtra	3			Arunachal Pradesh	-2	
Dadar Nagar & Haveli	-2			Meghalaya & Nagaland	-5	
Daman	-1			Manipur	-2	
Goa	-7			Mizoram	-1	
South Zone				Tripura	-4	
Karnataka	-14	-235		Assam	-15	
Kerala	-53			South East Zone		
Tamil Nadu	-99			Andman & Nikobar	-2	-2
Andhra Pradesh	-15					
Pondicherry	-4			Total Shortfall : 601 Crs Liter		
Telangana	-50					

Basis Considered for calculation :

- (1) Plant installed capacity till now + Orders under execution till 31st March 2021.
- (2) Capacity utilization considered as 70%.
- (3) Industrial spirit demand which is ~ 100 Crs is not considered for calculations.

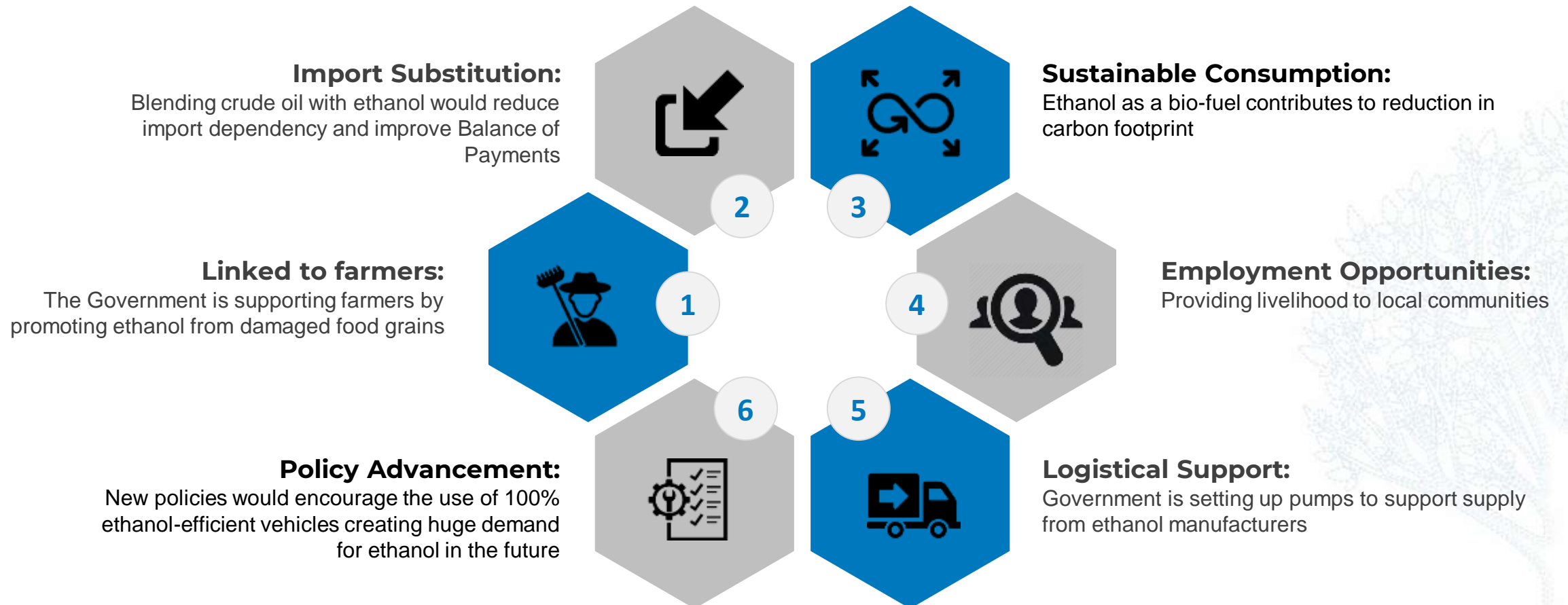
GOVERNMENT INCENTIVES TO ENCOURAGE BIO-ETHANOL

Recent interventions by both the Central Government and the State Government reflect a gradual shift towards sustainable blending of ethanol which augurs well for the industry. Presently, 14 states allow unrestricted interstate movement of ethanol in India with more states undergoing positive policy changes.



ETHANOL TO WITNESS MULTIFOLD EXPANSION

We are positive about the multifold growth of Ethanol in India



**ETHANOL AND
DISTILLERY**



**GRAIN PROCESSING
DIVISION**



**MINERAL PROCESSING
DIVISION**



05

2. GRAIN PROCESSING DIVISION

**One of the
largest
producer and
exporter of
70% Sorbitol
in India**



We manufacture starch and starch derivatives using cutting-edge technology and best industry standards to assure the highest quality final product.

What we produce:

Starch & Starch Derivatives

Products	
Maize	<ul style="list-style-type: none"> • Maize Starch Powder • Animal Feed • Sorbitol 70% solution • Liquid Glucose • Animal Feed
Rice	<ul style="list-style-type: none"> • Dextrose Monohydrate • Malto Dextrin Powder • Glucose Powder • Rice Gluten • Rice Syrup

Competitive edge

Close proximity of raw material production belt ensures timely and cost-efficient supply



Close proximity of paper mills from plant ensures demand for our products

Captive power plants at all units for uninterrupted power supply

Applications

- Oral Care
- Paper & Packaging Industry
- Food Industry
- Textile Industry
- Adhesive Industry
- Pharmaceutical Industry

**ETHANOL AND
DISTILLERY**



**GRAIN PROCESSING
DIVISION**



**MINERAL PROCESSING
DIVISION**



05

3. MINERAL PROCESSING DIVISION

Largest manufacturer of Calcium Carbonate in India



GPL manufactures around **19 grades of calcium carbonate**, which is widely used as an industrial mineral in paints, plastics and PVC, pharmaceuticals, paper, construction, and adhesives, among others.

With a leading market share in India, we export to neighboring countries like Nepal, Bangladesh, Muscat, Nigeria, and U.A.E

Our Products

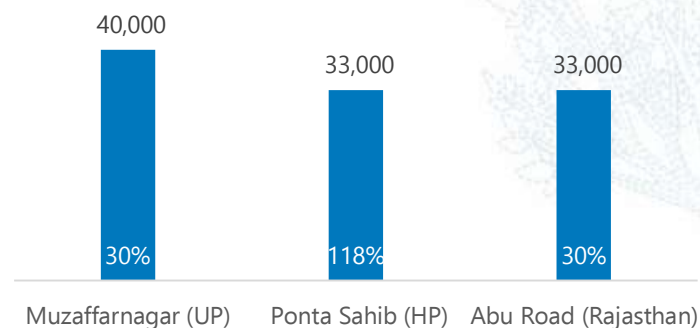
- ❑ Precipitated Calcium Carbonate (PCC)
- ❑ Activated Calcium Carbonate (ACC)
- ❑ Ground Natural Calcium Carbonate (GNCC)
- ❑ Wet Ground Calcium Carbonate (WGCC)
- ❑ Onsite PCC

Competitive Advantages

- ❑ Extensive niche product portfolio based on in-house research
- ❑ State of the art research facilities with in-house microbiology laboratories
- ❑ Uninterrupted power supply with 7MW captive power plant
- ❑ Locational advantage with the plant's proximity to raw material suppliers and customers
- ❑ Strategic location of the plants across India helps in servicing customers across the nation



FY 2020-21 Capacity (MT) & Utilization (%)



**Gulshan Polyols
is the first to
introduce the
concept of
On-site PCC plant in
India.**

- Limca Book of Records,
2010



GPL provides the raw materials and expertise to set up and maintain an on-site PCC plant. Our facilities utilise power, water, steam and the CO2 from the boiler stake to make PCC in slurry form, which is then used in paper application. This unique environment friendly technology not only reduces the energy consumption and drying time but also utilizes the CO2 emitted from the boilers.



Benefits of Onsite PCC plant to the customer

- ❑ Quality at par with International standards
- ❑ Economy in cost, production and supply chain due to reduced transportation costs and readily available raw materials
- ❑ Improved paper properties like brightness, opacity, bulk, scattering-coefficient & printability
- ❑ Reduced consumption of optical brightening agent and titanium dioxide

Our Onsite Projects for paper PCC

- ❑ ITC Ltd. Hoogly, Kolkata (PCC)
- ❑ Orient Paper Mill, a Birla Group Company, Amlai, Madhya Pradesh (PCC)
- ❑ Bashundhra Multi Paper Industries Ltd. (BMPIL), Meghnaghat, Bangladesh (PCC)
- ❑ Bashundhra Multi Paper Industries Ltd. (BMPIL), Joya, Bangladesh, (WGCC)
- ❑ DSG Paper Mill Ltd., Patiala, Punjab (PCC)
- ❑ Magnum Paper, Sahibabad, Uttar Pradesh (PCC)
- ❑ Silvertone Papers, Muzaffarnagar, Uttar Pradesh

- At Gulshan, we strive to actively contribute to the social and economic development of the communities in which we operate. In so doing we build a better, sustainable way of life for the weaker sections of society and raise the country's human development index. Our focus is on the all-round development of the communities around our plants located mostly in distant rural areas.
- The Company strives to positively impact the lives of the communities around its areas of operation by facilitating the schools neighboring its manufacturing locations. We provided furniture, safe drinking water and carried out infrastructure development and maintenance along with Solar panel installation.
- We have been organizing free eye checkups and cataract surgery camps for nearby villagers of Muzaffarnagar in collaboration with Nirmal eye Institute, Rishikesh.





GULSHAN

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