

Gujarat Alkalies profit after tax for the quarter rises by 37.88%

The Board of Directors in the meeting held at Gandhinagar on 18th January, 2008 have approved the financial results for the third quarter ended on 31st December, 2007.

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Shri Guruprasad Mohapatra, IAS, Managing Director of the Company stated that the Company has achieved the total production level of 361,992 MT during the quarter, showing an improvement of 4.31% as compared to 3,46,936 MT for the same period in the previous year.

The total production for the nine months period ended on 31st December, 2007 of the current financial year has also increased to 10,68,345 MT from 9,67,318 MT showing an improvement of 10.27% over the same period in the previous year.

Shri Mohapatra, informed that the Company has achieved increased Net Sales of Rs. 283.59 crore during the quarter ended 31st December, 2007 as compared to Rs. 269.13 crore for the third quarter of previous year showing an improvement of 5.37%.

The Net Sales for the nine months period ended on 31st December, 2007 of the current financial year has also increased to Rs.827.73 crore from Rs. 782.71 crore showing an improvement of 5.75% over the same period in the previous year.

The profit after tax for the quarter at Rs.72.14 crore shows a phenomenal increase of 37.88% when compared with that of Rs. 52.32 crore for the third quarter of previous year.

The profit after tax for the nine months period ended on 31st December, 2007 of the current financial year stood at Rs.205.73 crore also shows a phenomenal increase of 39.32% when compared with that of Rs. 147.67 crore for the same period of previous year.

The Managing Director added that Company has generated cash profit of Rs.102.01 crore during the third quarter as against Rs.95.74 crore in same period during the previous year showing an increase of 6.55%.

He, further stated that the Company has generated cash profit for the nine months period ended on 31st December, 2007 of the current financial year of Rs.296.29 crore as against Rs.276.09 crore for the same period during the previous year showing an increase of 7.32%.

He, further, added that the financial ratios have improved at the end of the third quarter as compared to year ended on 31st March, 2007 :

- i) Debt Equity ratio to 0.10 : 1 from 0.26 : 1
- ii) Interest Coverage Ratio to 15.87 times from 10.57 times;
- iii) Earning per Share to Rs. 37.36 from Rs.25.40 and
- iv) Book value per Share to Rs.143.78 from Rs.117.00

Shri Mohapatra also informed that GACL has undertaken a Windmill project of 24 MW in order to reduce the power cost as well as drawal of high cost power from MGVCL. About 30% of the machines have been commissioned and balance are expected to be on stream by end of February, 2008.

Encouraged by this performance the Board has accorded in-principle approval to set up additional windmills for a capacity of 40 MW.

He further informed that the trial run production of 50 TPD Anhydrous Aluminium Chloride plant at Dahej are being carried out and this unit is expected to be commissioned in the last quarter of the current financial year.

Shri Mohapatra, further informed that the Company has identified four Clean Development Mechanism (CDM) projects, out of which three projects are already registered and the remaining project will be registered shortly. The Company has already finalized monetisation of CERs generated from these projects and the monetisation of the same has already started from the second quarter of the Financial Year 2007 - 08. GACL is the first PSU in the country, to get the approval of the host country from MOEF for its CDM Project.

The Company is further working on couple of CDM projects by leveraging its strength in CDM field.

The Board has also accorded in-principle approval to explore the possibilities of putting up additional projects like expansion of Caustic Soda by 500 TPD, expansion of Hydrogen Peroxide by 75 TPD (100% basis) and another captive power plant with a capacity of 90 MW. The expected cost of these projects shall be Rs. 1,100 crore.

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