



Gulshan Polyols Limited
CIN : L24231UP2000PLC034918
Corporate Office: G-81, Preet Vihar,
Delhi-110092, India
Phone : +91 11 49999200
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E-mail : gscldelhi@gulshanindia.com
Website: www.gulshanindia.com

GPL\SEC\2022-23
November 09, 2022

To,
BSE Limited
Corporate Service Department,
1st Floor, P. J. Towers,
Dalal Street, Mumbai
Maharashtra- 400 001
Scrip Code: 532457

The National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1,
'G' block, Bandra Kurla Complex,
Bandra (E), Mumbai
Maharashtra-400 051
Symbol: GULPOLY

Subject: Outcome of Board Meeting held on November 09, 2022

Dear Sir/Ma'am,

Pursuant to Regulation 30 and Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 and any other applicable provisions of the said Regulations, this is to inform that the Board of Directors of the Company at its meeting held today on **Wednesday, 09th day of November, 2022** at its Corporate Office at G-81, Preet Vihar, Delhi - 110092, have, inter alia considered and approved, the Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2022; and

A copy of the said results alongwith the Limited Review Report issued by M/s Rajeev Singal & Co., Statutory Auditors of the Company is enclosed.

A copy of earning release is also enclosed with the said Results.

The meeting of the Board of Directors commenced at 1.00 P.M and concluded at **02:55** P.M.

This is for your information and record.

Thanking you,
Yours faithfully

For GULSHAN POLYOLS LIMITED

(Asha Mittal)
Company Secretary



Encl: As above

RAJEEV SINGAL & CO.
CHARTERED ACCOUNTANTS

Reg. No. - 008692C
PAN- AAPFR2931N



175, Dwarkapuri, Main Road
Opp. Shiv Mandir First Floor
Muzaffarnagar (U.P.)-251001

singhalrk2012@gmail.com
Office Mob- +91-9568000525

**INDEPENDENT AUDITORS' LIMITED REVIEW REPORT ON UNAUDITED
FINANCIAL RESULTS**

To,
The Board of Directors
Gulshan Polyols Limited

We have reviewed the accompanying statement of Unaudited Financial Results of Gulshan Polyols Limited ("the Company") for the quarter and half year ended September 30, 2022 ("the Statement"). This statement is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by The Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Rajeev Singal & Co.
Chartered Accountants
(Firm Registration No.: 008692C)



(Signature)
(CA SUNIL KUMAR)
Partner

Membership No.408730

Place: Delhi
Date: November 09, 2022
UDIN: 22408730BCPWKF2850

GULSHAN POLYOLS LIMITED

CIN: L24231UP2000PLC034918

Regd. Off.: 9th K.M., Jansath Road, Muzaffarnagar, U.P. - 251001

Tel. No.:011-49999200, Fax No.: 011-49999202

Website: www.gulshanindia.com Email: cs@gulshanindia.com

Statement of Un-Audited Financial Results for the Quarter and Half Year ended September 30, 2022

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30-09-2022	30-06-2022	30-09-2021	30-09-2022	30-09-2021	31-03-2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	a. Revenue from Operations	27,638.42	27,018.32	27,728.36	54,656.73	51,583.87	1,10,072.64
	b. Other Income	134.88	46.81	42.88	181.69	84.37	204.75
	Total Income	27,773.30	27,065.13	27,771.24	54,838.43	51,668.24	1,10,277.39
2	Expenses :						
	(a) Cost of materials consumed	17,021.73	15,746.83	13,401.95	32,768.56	25,341.41	56,434.35
	(b) Purchases of Stock-in-Trade	198.88	324.75	190.94	523.64	298.82	930.80
	(c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	(923.49)	(56.96)	798.48	(980.45)	584.57	(15.39)
	(d) Employee benefits expenses	820.88	852.31	773.30	1,673.18	1,596.87	3,630.10
	(e) Finance Cost	149.09	108.82	115.99	257.91	197.98	495.97
	(f) Depreciation and amortization expenses	712.20	705.90	800.39	1,418.10	1,557.26	3,240.90
	(g) Other Expenses	8,615.93	8,019.79	7,866.09	16,635.71	14,753.06	34,081.01
	Total expenses	26,595.22	25,701.44	23,947.14	52,296.66	44,329.98	98,797.74
3	Profit before tax	1,178.08	1,363.69	3,824.09	2,541.77	7,338.27	11,479.65
4	Tax Expense:						
	Current Tax	296.20	374.38	1,005.58	670.57	1,936.67	3,079.67
	Deferred Tax	(26.87)	(29.32)	(18.44)	(56.19)	(51.83)	(124.91)
	Total Tax Expense	269.33	345.06	987.15	614.38	1,884.84	2,954.76
5	Net Profit after tax (3-4)	908.75	1,018.63	2,836.95	1,927.38	5,453.43	8,524.89
6	Other Comprehensive (Income)/expenses						
	(i) Item that will not to be reclassified to Profit and Loss:						
	(a) (Gain)/loss on equity instruments	(2.10)	(4.79)	-	(6.89)	-	(19.28)
	(b) (Gain)/loss of defined benefit obligation	3.94	3.94	11.60	7.87	11.60	15.74
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.77)	(0.44)	(3.06)	(1.22)	(3.06)	(2.29)
	Other Comprehensive (Income)/expenses	1.06	(1.30)	8.54	(0.24)	8.54	(5.84)
7	Total Comprehensive Income for the period (5-6)	907.69	1,019.94	2,828.41	1,927.62	5,444.88	8,530.73
8	Paid-up equity share capital	519.75	519.75	495.59	519.75	495.59	519.75
	Face value of the share (Rs.1)						
9	Reserves excluding Revaluation Reserves as at Balance Sheet date						53,019.23
10	Earning per equity share (face value Rs. 1/-each) (in rupees)						
	Basic	1.75	1.96	5.72	3.71	11.00	16.40
	Diluted	1.75	1.96	5.72	3.71	11.00	16.40

S.No	STATEMENT OF ASSETS AND LIABILITIES		(Rs.in Lakhs)	
	Particulars	As at 30th Sep 2022	As at 31st Mar 2022	
A	ASSETS			
1	Non-Current Assets			
	(a) Property, Plant and Equipment	22,565.87	23,715.71	
	(b) Capital Work-in-Progress	20,422.03	9,128.12	
	(c) Investment Property	272.48	273.15	
	(d) Intangible assets	6.28	7.21	
	(e) Financial Assets			
	(i)- Investments	2,637.58	2,585.67	
	(ii) -Other Financial Assets	1,180.47	1,250.92	
	(f) Other Non-Current Assets	1,701.37	2,699.80	
	Total Non- Current Assets	48,786.09	39,660.58	
2	Current Assets			
	(a) Inventories	11,959.37	10,789.87	
	(b) Financial Assets			
	(i) Investment	6,686.48	-	
	(ii) Trade Receivables	12,308.24	11,962.07	
	(iii) Cash and Cash equivalents	89.80	11,260.83	
	(iv) Other Bank Balance	1,438.59	1,047.24	
	(c) Other Current Assets	6,705.00	5,688.55	
	Total Current Assets	39,187.49	40,748.56	
	Total Assets (1+2)	87,973.57	80,409.14	
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	519.75	519.75	
	(b) Other Equity	54,425.64	53,019.23	
	Total equity	54,945.39	53,538.99	
2	Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) - Borrowings	9,912.88	4,731.22	
	(ii) Other Financial liabilities			
	Lease Liabilities	489.52	450.10	
	(b) - Deferred Tax Liabilities (Net)	1,279.50	1,336.91	
	Total Non Current Liabilities	11,681.92	6,518.23	
3	Current Liabilities			
	(a.) Financial Liabilities			
	(i)- Borrowings	8,135.50	6,464.37	
	(ii)- Trade payables			
	(a) Outstanding dues of micro and small enterprises	428.26	585.00	
	(b) Outstanding dues of creditors other than above	5,747.72	5,195.17	
	(iii) Other Financial Liabilities	2,309.65	1,455.26	
	(iv) Lease liabilities	1.36	43.51	
	(b) Other Current Liabilities	3,501.51	2,726.01	
	(c.) Provisions	551.68	693.56	
	(d.) Liabilities for current Tax (Net)	670.57	3,189.03	
	Total Current Liabilities	21,346.25	20,351.91	
	TOTAL EQUITY AND LIABILITIES	87,973.57	80,409.14	
S.no	Notes:-			
1	The above Unaudited financial results have been reviewed and recommended by the Audit committee and approved by the Board of Directors in their respective meetings held on November 9, 2022. These Results have been subjected to Limited Review by the Statutory Auditors as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and they have expressed an unmodified opinion on the aforesaid Results.			
2	The above Financial Results has been prepared in accordance with Indian Accounting Standards ('IND AS') prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other recognised accounting practices and policies to the extent applicable.			
3	Figures for the previous period have been regrouped/ rearranged wherever necessary to make them comparable with current figure.			
4	Results of Gulshan Polyols Limited for the above mentioned period are available on Company's website: www.gulshanindia.com and on the Stock Exchanges website: www.nseindia.com and www.bseindia.com.			

Statement of Cash Flow for the period ended 30th September, 2022

Particulars	(Rs.in Lakhs)	
	Half year ended 30/09/2022	Year ended 31/03/2022
A. Cash flow from operating activities		
Profit before Tax	2,541.77	11,479.65
Adjustment for :		
Depreciation and Amortization Expenses	1,418.10	3,240.90
Dividend income	-	(0.72)
Net Gain on Sale/Fair value of non-current investment FVTPL	(70.38)	-
Provision/(write back) for doubtful debts and advances (net)	(31.54)	-
(Gain) / Loss on disposal of property, plant and equipment	-	(7.20)
(Gain) / Loss on disposal of Investment	(71.50)	(105.81)
Interest income	(8.27)	(87.40)
Interest expenses	257.91	495.97
Cash generated from operations before working capital changes	4,036.09	15,015.40
Adjustment for :		
Decrease/(increase) in other assets	238.15	(2,471.77)
Decrease/(increase) in trade receivables	(314.64)	(2,123.92)
Decrease/(increase) in inventories	(1,169.50)	(1,744.81)
(Decrease)/increase in other current liabilities	(2,424.13)	(673.79)
(Decrease)/increase in provisions	(141.88)	181.36
(Decrease)/increase in trade and other payables	1,250.20	1,211.86
Cash generated from operating activities	(2,561.79)	(5,621.07)
Direct taxes paid (net of refunds)	(577.08)	(2,954.56)
Cash flows before exceptional items	897.22	6,439.77
Net Cash flow generated from operating activities (A)	897.22	6,439.77
B. Cash Flow from Investing activities		
Sale proceeds from property, plant and equipment	-	14.40
Purchase of property, plant and equipment	(11,560.57)	(11,701.05)
Purchase of intangibles	-	(0.83)
Net Sale/ Purchase proceeds of from non-current investments and current investments	(6,589.61)	(2,389.62)
Interest income	8.27	87.40
Dividend income	-	0.72
Net Cash Flow Generated from investing activities (B)	(18,141.91)	(13,988.99)
C. Cash flow from Financing activities		
Interest expenses	(257.91)	(495.97)
Proceeds/(Repayment) of long-term borrowings	5,181.67	3,678.22
Proceeds/Repayment of short-term borrowings	1,671.13	6,464.37
Proceeds from issue of Equity share capital (net of transaction costs)	(1.47)	7,634.04
Dividend paid	(519.75)	(274.08)
Net Cash flow Generated from financing activities (C)	6,073.66	17,006.57
Net increase in cash and cash equivalents (A+B+C)	(11,171.03)	9,457.36
Cash and cash equivalents at the beginning of the year	11,260.83	1,803.48
Cash and cash equivalents at period/Year end	89.80	11,260.83

SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

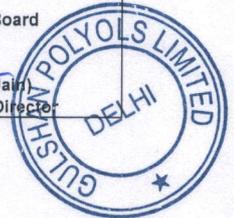
(Rs in Lakhs)

	Particulars	Unaudited Results for the Quarter ended			Unaudited Results for the Half Year ended		Audited Results for the Year ended
		30-09-2022	30-06-2022	30-09-2021	30-09-2022	30-09-2021	31-03-2022
1	Segment Revenue (Sales and Other Operating Income)						
	a) Ethanol(Bio-Fuel)/Distillery	4,548.34	4,530.21	5,240.95	9,078.55	9,639.90	19,729.30
	b) Grain Processing	20,685.97	20,058.15	19,976.44	40,744.13	37,554.21	80,915.33
	c) Mineral Processing	2,404.10	2,429.95	2,510.97	4,834.05	4,371.37	9,409.62
	d) Unallocated	-	-	-	-	18.38	18.38
	Total Segment Revenue	27638.42	27,018.32	27728.36	54656.73	51583.87	110072.64
2	Segment Results (Profit before tax and Interest)						
	a) Ethanol(Bio-Fuel)/Distillery	(151.16)	39.98	1,010.45	(111.19)	1840.90	2,453.27
	b) Grain Processing	898.68	1,111.22	2,538.03	2009.90	5005.04	8140.83
	c) Mineral Processing	407.47	368.41	375.72	775.87	623.63	1278.56
	d) Unallocated	172.18	(47.10)	15.90	125.08	66.67	102.96
	Total Segment Results	1327.17	1,472.51	3940.08	2799.67	7536.25	11975.61
	Less: Finance Cost	149.09	108.82	115.99	257.91	197.98	495.97
	Total Profit before Tax	1178.08	1,363.69	3824.09	2541.77	7338.27	11479.65
3	Segment Assets						
	a) Ethanol(Bio-Fuel)/Distillery	33847.22	27,540.30	14,950.67	33,847.22	14,950.67	25,432.33
	b) Grain Processing	36460.68	38,877.32	30,071.31	36,460.68	30,071.31	34,325.09
	c) Mineral Processing	5694.75	5,450.96	6,716.36	5,694.75	6,716.36	5,635.45
	d) Unallocated	11970.92	9,644.35	5,488.79	11,970.92	5,488.79	15,016.26
	Total	87973.57	81,512.93	57,227.14	87,973.57	57,227.14	80,409.14
4	Segment Liabilities						
	a) Ethanol(Bio-Fuel)/Distillery	15701.39	10,616.12	1,736.02	15,701.39	1,736.02	9,171.32
	b) Grain Processing	13376.28	13,909.51	6,336.15	13,376.28	6,336.15	11,636.46
	c) Mineral Processing	1331.42	663.19	1,396.70	1,331.42	1,396.70	1,385.90
	d) Unallocated	2619.08	1,766.64	4,832.93	2,619.08	4,832.93	4,676.46
	Total	33028.17	26,955.46	14,301.80	33,028.17	14,301.80	26,870.14

For and on behalf of the Board

(Signature)
(Dr. Chandra Kumar Jain)

Chairman and Managing Director



Date : November 9, 2022
Place : Delhi



CIN: L24231UP2000PLC034918

Registered Office: 9th K M Jansath Road, Muzaffarnagar, Uttar Pradesh, 251001

Corporate Office: G-81, Preet Vihar, Delhi-110092

Q2 & H1 FY23 – Earnings Update

Revenue from Operations reported at ₹2,763.8 Mn in Q2 FY23 and ₹5,465.7 Mn for H1 FY23

EBITDA stands at ₹203.9 Mn in Q2 FY23 and ₹421.8 Mn for H1 FY23

PAT at ₹90.9 Mn in Q2 FY23 and ₹192.7 Mn for H1 FY23

New Delhi, 9th November, 2022: Gulshan Polyols Limited ("Gulshan") is a multi-location and multi-product manufacturing company with global presence in 35+ countries, across 3 continents. It operates in three segments namely grain processing, ethanol (bio-Fuel)/distillery and mineral processing. Gulshan in its board meeting held on 9th November, 2022 has inter-alia considered and approved the unaudited Financial Results for the second quarter and first half year ended on 30th September 2022 as one of its agenda.

Financial Statement Highlights for Q2 FY23 v/s Q2 FY22 v/s Q1 FY23

Particulars (₹ in Mn)	Q2 FY23	Q2 FY22	YoY%	Q1 FY23
Revenue from Operations	2,763.8	2,772.8		2,701.8
Other Income	13.5	4.3		4.7
Total Income	₹2,777.3	₹2,777.1	0.01%	₹2,706.5
Total Expenses excluding Depreciation, Amortization & Finance Cost	(2,573.4)	(2,303.1)		(2,488.7)
EBITDA	203.9	474.0		217.8
EBITDA Margin (%)	7.3%	17.1%	-57.0%	8.0%
Finance Cost	(14.9)	(11.6)		(10.9)
Depreciation	(71.2)	(80.0)		(70.6)
PBT	117.8	382.4		136.4
Tax Expenses	(26.9)	(98.7)		(34.5)
PAT	90.9	283.7	-68.0%	101.9
PAT Margin %	3.3%	10.2%		3.8%
Other Comprehensive Income/(expense)	(0.1)	(0.9)		0.1
Net PAT	90.8	282.8		102.0
Diluted EPS	1.8	5.7		2.0

*EBITDA includes other income

Financial Performance Comparison – Q2 FY23 v/s Q2 FY22

- Revenue from operations have remained stabled to **₹2,763.8 Mn in Q2 FY23 from ₹2,772.8 Mn in Q2 FY22**. Considering the peak use of manufacturing facilities led by strong demand for products the revenue growth was limited
- EBITDA decreased by **57.0% from ₹474.0 Mn in Q2 FY22 to ₹203.9 Mn in Q2 FY23** and **margins contracted from 17.1% in Q2 FY22 to 7.3% in Q2 FY23** owing to elevated commodity prices impacting raw material and power & fuel cost
- PAT stood at **₹90.9 Mn in Q2 FY23, compared to ₹283.7 Mn in Q2 FY22 recording a decline of 68.0%** due to operational factors as mentioned above

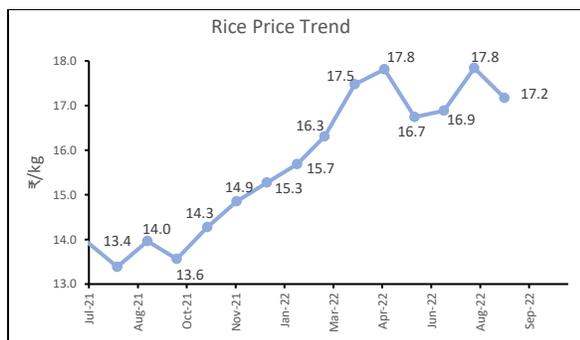
Financial Statement Highlights for H1 FY23 v/s H1 FY22

Particulars (₹ in Mn)	H1 FY23	H1 FY22	YoY%
Revenue from Operations	5,465.7	5,158.4	
Other Income	18.2	8.4	
Total Income	₹5,483.8	₹5,166.8	6.1%
Total Expenses excluding Depreciation, Amortization & Finance Cost	(5,062.1)	(4,256.4)	
EBITDA	421.8	909.4	-53.6%
EBITDA Margin (%)	7.7%	17.6%	
Finance Cost	(25.8)	(19.8)	
Depreciation	(141.8)	(155.7)	
PBT	254.2	733.8	
Tax Expense	(61.4)	(188.5)	
PAT	192.7	545.3	-64.7%
PAT Margin %	3.5%	10.6%	
Other Comprehensive Income/(expense)	0.0	(0.9)	
Net PAT	192.8	544.5	
Diluted EPS	3.7	11.0	

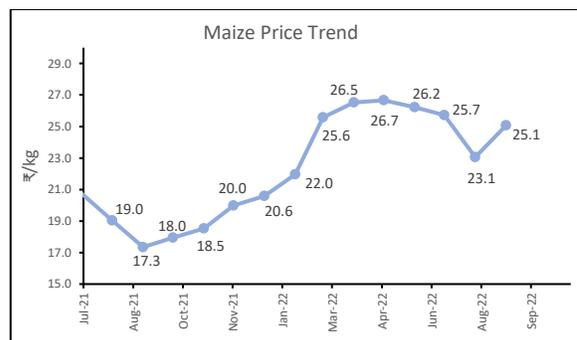
Financial Performance Comparison – H1 FY23 v/s H1 FY22

- Revenue from operations has **increased from ₹5,158.4 Mn in H1 FY22 to ₹5,465.7 Mn in H1 FY23**.
- COGS/Input costs have increased by 23.2% as compared to same period YoY considering the increased raw material cost and power cost
- Subsequently the EBITDA margins declined **from 17.6% in H1 FY22 to 7.7% in H1 FY23**
- PAT stood at **₹192.7 Mn in H1 FY23, compared to ₹545.3 Mn in H1 FY22** and margins **decreased to 3.5% in H1 FY23 from 10.6% in H1 FY22**

EBITDA Margins Impacted by soaring raw material prices:

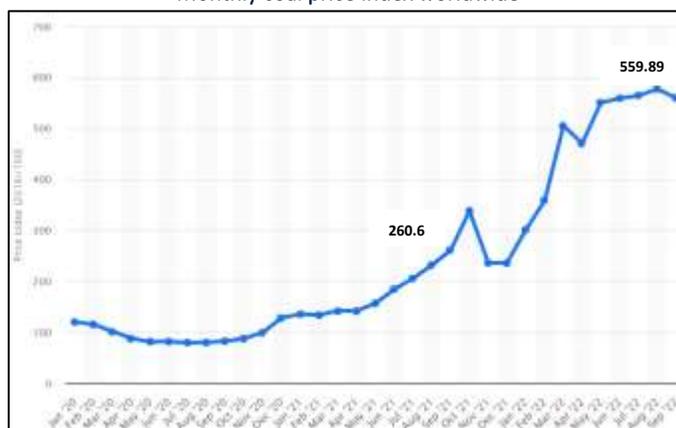


Source: <https://in.investing.com/commodities/rough-rice-historical-data>



Source: <https://www.indexmundi.com/commodities/?commodity=corn&months=60¤cy=INR>

Monthly coal price index worldwide



Borrowings	991.3	101.4	Financial Assets		
Other Financial liabilities	49.0	13.0	-Investments	263.8	4.2
Deferred Tax Liabilities	128.0	142.4	-Loans	-	55.5
Current Liabilities	2,134.6	1,170.5	-Other Financial assets	118.0	11.4
Borrowings	813.6	-	Other Non-Current Assets	170.1	142.5
Trade payables			Current Assets	3,918.7	2,859.5
-O/S dues of micro & small enterprises	42.8	12.8	Inventories	1,195.9	1,170.0
-O/S dues of creditors other than above	574.8	568.3	Financial Assets		
Other Financial liabilities	231.0	162.4	Investments	668.6	-
Lease Liabilities	0.1	-	Trade receivables	1,230.8	1,131.5
Other Current Liabilities	350.2	183.6	Cash and cash equivalents	9.0	245.4
Provisions	55.2	35.66	Other Bank Balance	143.9	32.4
Liabilities for current tax	67.1	207.7	Other Current assets	670.5	280.2
TOTAL LIABILITIES	8,797.4	5,611.5	TOTAL ASSETS	8,797.4	5,611.5

Financial Performance Comparison – H1 FY23 v/s H1 FY22

- Current Asset stood at ₹3,918.7 Mn in H1 FY23, compared to ₹2,859.5 Mn in H1 FY22
- Long-term borrowings stood at ₹991.3 Mn in H1 FY23, compared to ₹101.4 Mn in H1 FY22, due to disbursal of loan from HSBC for proposed Capex
- Debt Equity ratio has increased to 0.3x in H1 FY23 compared to 0.02x in H1 FY22
- Inventory Days stood at 68 days in H1 FY23, compared to 81 days in H1 FY22
- Cash flow from operations stands at ₹89.7 Mn

Business Updates

- Gulshan had a total sanction of ₹1,700 Mn from HSBC for the construction of the 500 KLPD facility at Borgoan, Madhya Pradesh, ₹1,200 Mn has been availed/utilized till September 30, 2022. The company is expected to commence its 500 KLPD plant operations from Q4 FY23
- The company has declared a final dividend of ₹1/- on face value of ₹1/- each for the FY 2022 during H1 FY23

Management Comments

Commenting on the performance of Q2 FY23, the management team of the company stated that, “We are happy to share our financial and business performance for Q2 and H1 FY23, revenue from operations remained relatively stable at ₹2,763.8 Mn in Q2 FY23 from ₹2,772.8 Mn in Q2 FY22 owing to peak utilization of our capacities, however, the company continued to witness robust demand for its product across all the three segments.

Our products continue to maintain their dominant market share, however, the commodity headwinds prevalent in Q2 FY23 in the form of higher raw material costs (primarily cost of rice and

maize), up by approximately 20%-35% and elevated coal prices, which almost doubled and hovered around their all-time high during September 2022, have put pressure on our operating margins. As we move forward, we are observing softening in the price of our key raw materials owing to increasing grain reserves as asserted by the government, ban on export of damaged rice and setting in of the new kharif crop. Further, the increasing production of coal in South Africa and China has led to cooling off of the global coal prices and will positively impact us in the upcoming quarters. Additionally, the recent price increase of ethanol from sugarcane is reflective of government's continuous effort for compensating the elevated costs of production.

With over 4 decades of experience in the business we have faced similar cost pressures and have time and again emerged stronger from the same. We are confident of continuing the same and believe that our capacity expansion plan and business strategies are well aligned to capitalize on the market opportunities created by robust consumption led demand.

We would like to highlight the following updates with respect to our individual business segments: In the Grain Processing segment, we continue to remain one of the top manufacturers of sorbitol, fructose syrup and maize starch in the country. All of our product continued to showcase healthy demand in particular the demand for maize starch, used in semi-kraft paper, has increased led by the exponential growth in the e-commerce industry. In order to meet the increased demand, our capacity expansion plan to enhance capacities by 20% in Grain Processing segment is proceeding on schedule.

In the Ethanol (Bio-Fuel)/Distillery segment, we would like to emphasize that our capex plan for establishing a 500 KLPD ethanol facility in Madhya Pradesh is progressing well and a loan of ₹1,200 Mn has been disbursed from HSBC as of 30th September 2022. The plant's operations are expected to begin in Q4 FY23 which will establish us as dominant player in grain-based ethanol and support the current 60 KLPD facility which continues to operate at more than 100% capacity utilization. The developments at Assam plant are also progressing as planned.

In the mineral processing segment, we expect the revenues from our contract with Meghna Pulp & Paper Mills Limited to start yielding results in upcoming quarter.

The company aims to grow its revenue by expanding its product portfolio through continual R&D and improve its margins by increasing contribution from higher margin products.

We would like to express our gratitude to our employees for their ongoing efforts and our investors/ stakeholders for their support and encouragement as we go forward in capturing the growth prospects that lay ahead of us."

Management Guidance

- Revenue from operation **to double** by FY24, on back of significant capacity expansion in Ethanol (Bio-Fuel)/Distillery and Grain Processing segment
- The management expects incremental revenue from the 500 KLPD facility at Borgoan, Madhya Pradesh as operations expected to commence towards the end of H2FY23, also the management expects resumption of normal growth from existing business capacities going forward
- The management expects EBITDA margin to improve to 10%-12% corridor in H2FY23 due to softening of basic raw material prices and declining coal prices which will lower our power and fuel cost

About Gulshan Polyols Limited

Gulshan Polyols Limited ("Gulshan") is a multi-location, multi-product manufacturing company with **global presence in 35 countries, across 3 continents**. The company features three main business segments namely, Grain Processing, Ethanol (Bio-Fuel)/Distillery & 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 distillery segment and has embarked on a significant capex plan for manufacturing ethanol. The company shall **augment operations from the 500 KLPD facility at Borgoan, Madhya Pradesh and further adding another 250 klpd in Assam where the operations shall commence by FY25**.

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 top FMCG companies, paint companies, OMCs and others**. Gulshan is **recognized by Government of India as Star Export House, for consistent exports** of products to various parts of the world and **holds record for introducing on-site PCC plant as per Limca Records**.

For further information on the Company, please visit www.gulshanindia.com

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