



Gujarat Alkalies and Chemicals Limited

(Promoted by Govt of Gujarat)

Regd. Office & Works : P.O. Petrochemicals - 391 346, Dist. Vadodara (Gujarat) INDIA.

Phone : +91-265-2232681, 3061200, 6540463 Fax : +91-265-2232130, 2230031

Website : www.gacl.com CIN : L24110GJ1973PLC002247

Ref. : SEC/SE/2016/

15th November, 2016

The General Manager
Corporate Relation Department
BSE Ltd.
1st Floor, New Trading Ring
Phiroze Jeejeebhoy Towers
Dalal Street
MUMBAI : 400 001

The General Manager
Listing Department
National Stock Exchange of India Ltd.
"Exchange Plaza", C-1, Block 'G'
Bandra-Kurla Complex
Bandra (East)
MUMBAI : 400 051

Ref. : Company Code No. : 530001

Ref. : Company Code No. : GUJALKALI

Dear Sir,

Sub : Your E-mail dated 14.11.2016 regarding clarification on establishment of 105,000 TPA (i.e. 315 MT per day) of Chloromethanes Plant at Dahej.

This is further to our letter dated 11.11.2016 regarding Disclosure of information under Regulation 30(3) with respect to establishment of 105,000 TPA (i.e. 315 MT per day) of Chloromethanes Plant at Dahej. We would like to inform the rationale for establishment of the said Chloromethanes plant as under :-

The Company has already announced establishment of 800 TPD Caustic Soda Project in a joint venture with National Aluminium Company Ltd (NALCO) vide our letter dated 25.06.2015. The said JV Company alongwith Caustic Soda will produce Chlorine as by-product. To convert the Chlorine into value added products and also as a part of Chlorine Management, the Board of Directors has approved to establish Chloromethanes Plant at Dahej. At present, India is a net importer of Chloromethanes (Methylene Dichloride) and there is a projected market growth with a CAGR of 4.6% as reported in the Market Study Report recently prepared for the Company by a consultant. The Company is having a 37,950 TPA Chloromethanes Plant at Vadodara Complex since 1986. Thus, the Company is having 30 years of experience in dealing with these products. Therefore, the Board of Directors at its 359th Meeting held on 10.11.2016, has approved establishment of 105,000 TPA Chloromethanes Plant at Dahej. The Project when implemented, will contribute approx. Rs.400 Crore in Sales of the Company at the prevailing market prices.

We hope, the above will suffice your query.

Thanking you,

Yours faithfully,

For GUJARAT ALKALIES AND CHEMICALS LIMITED

(S S BHATT) 15/11/2016
COMPANY SECRETARY & GM (LEGAL, CC & CSR)

Janak... to se.doc



Dahej Complex: P.O. Dahej - 392130. Tal. Vagra, Dist. Bharuch (Gujarat) INDIA

Phone : +91-2641-256315 / 6 / 7. Fax : +91-2641-256220