



# Gujarat Alkalies and Chemicals Limited

P.O. Ranoli – 391 350 - (Promoted by Govt. of Gujarat)

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Website : www.gacl.com CIN NO : L24110GJ1973PLC002247

Ref. : SEC/SE/2022/

10<sup>th</sup> May 2022

The General Manager Corporate Relation Department BSE Ltd. 1 <sup>st</sup> 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.: Signing of Term Sheet between the Company (GACL) and GAIL (India) Limited (GAIL) for setting up a 500 KLD Bioethanol plant in Gujarat**

We had, vide our letter dated 17<sup>th</sup> December 2021, informed the Exchanges about the signing of Memorandum of Understanding (MoU) between the Company ("GACL") and GAIL (India) Limited ("GAIL") for setting up a 500 KLD Bioethanol plant in Gujarat.

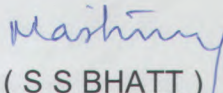
In continuation of the same, we would like to inform that GACL and GAIL have today, i.e. on 10<sup>th</sup> May 2022, signed Term Sheet for setting up a 500 KLD Bioethanol plant in Gujarat. A Detailed Feasibility Report (DFR) is under preparation through a consultant. Based on outcomes of the DFR and other conditions precedents, both the Parties will mutually decide to enter into definitive agreement(s).

We are enclosing herewith a copy of Press Note to be published in the newspapers.

We request you to kindly take note of the above.

Thanking you,

Yours faithfully,  
For GUJARAT ALKALIES AND CHEMICALS LIMITED

*for*   
( S S BHATT )  
COMPANY SECRETARY &  
CHIEF GENERAL MANAGER (LEGAL & CC)

Encl: as said



Dahej Complex : P.O. Dahej - 392130. Tal. Vagra, Dist. Bharuch (Gujarat) INDIA  
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## **GACL and GAIL signed Term Sheet for setting up a 500 KLD Bioethanol plant in Gujarat**

Gujarat Alkalies and Chemicals Limited (GACL) and GAIL (India) Limited (GAIL) have joined hands to set-up a Bioethanol plant of 500 KLD capacity. A Term Sheet for setting up a Bioethanol plant in Gujarat was signed by Shri Harshad R Patel, IAS, Managing Director of GACL and Shri R K Singhal, ED (BD & E&P) of GAIL, in the presence of Shri M V Iyer, Director(Business Development) of GAIL, at New Delhi, on 10<sup>th</sup> May 2022.

This step is taken in response to the Hon'ble Prime Minister of India's call for 'Atmanirbhar Bharat'. The Hon'ble Prime Minister has launched a Roadmap for 20% Ethanol Blending in Petrol by 2025, with a view to reduce import of crude oil and save valuable foreign exchange.

This plant will be using corn/broken rice as feedstock with eco-friendly technology with a likely production capacity of 500 KLD Bioethanol, which will be used for blending in petrol. As by-products from this plant, 135 KTPA Protein-rich Animal feed and 16.50 KTPA of Corn Oil while using corn as feedstock are also expected to be produced.

Dahod, Panchmahal, Aravalli, Mahisagar and Sabarkantha are major corn-producing districts in Gujarat and hence, the project is likely to come up in this part of Gujarat. Corn is also produced in nearby states of Gujarat viz. Maharashtra, Madhya Pradesh and Rajasthan. A Detailed Feasibility Study through a third party is in progress for the project.

The estimated project cost is to the tune of Rs.1,000 crores and it is expected to generate annual revenue of approximately Rs.1500 crores.

An estimated savings of USD 70 million per year in Foreign Exchange outgo is expected through this project. Beyond the savings, this project will also generate direct and indirect employment for around 700 persons. Long term supply contract for corn would encourage corn farming with sustainable, multi-fold income for farmers through increased productivity and assured market. Steps will also be taken to improve the productivity of corn in the State with the help of the Maize Research Centre in Godhra and other institute(s).

### **About GACL:**

Gujarat Alkalies and Chemicals Limited (GACL) was established in the year 1973 in Vadodara, Gujarat to manufacture Caustic Soda and allied products. Promoted by the Government of Gujarat, by harping on cutting edge technology, groundbreaking research and development and through strategic diversification, GACL has emerged as one of the largest manufacturers of caustic soda with around 12% share in

domestic caustic soda market. From an initial capacity of 37,425 TPA caustic soda, the organization has enhanced its capacity to 4,30,000 TPA and the facilities are spread over 2 complexes at Vadodara and Dahej. From its two facilities, GACL now offers 36 products. GACL is also the first state promoted enterprise to adopt renewable wind energy to fuel its progress. The Organisation has a current total installed Wind Power capacity of 171.45 MW and 35 MW Solar Power Project for its captive use, which caters more than 25% of energy requirements. For more information about GACL visit: [www.gacl.com](http://www.gacl.com)

**About GAIL:**

GAIL is India's leading natural gas company with diversified interests across the natural gas value chain of trading, transmission, LPG production & transmission, LNG re-gasification, petrochemicals, city gas, E&P, etc. It owns and operates a network of 13,700 km of natural gas pipelines spread across the length and breadth of country. It is also working concurrently on execution of multiple pipeline projects to further enhance the spread. GAIL and its Subsidiaries / JVs also have a formidable market share in City Gas Distribution. In the Liquefied Natural Gas (LNG) market, GAIL has significantly large portfolio. GAIL is also expanding its presence in renewable energy like Solar, Wind and Biofuel. For more information about GAIL visit: [www.gailonline.com](http://www.gailonline.com)