Speech of

Dr. Hasmukh Adhia, IAS (Retd.)
Chairman

53rd ANNUAL GENERAL MEETING

Friday, 25th September 2026
at 11:30 a.m.

Catalysing the Future

Registered Office

Gujarat Alkalies and Chemicals Limited

Regd. Office : P. O. Ranoli - 391 350, Dist. Vadodara, Gujarat, INDIA.

Dear Shareholders,

I extend a very warm welcome to all of you to the 53rd Annual General Meeting of Gujarat Alkalies and Chemicals Limited.

The Annual Report containing the Board's Report, Audited Financial Statements, Business Responsibility & Sustainability Report and other statutory reports for the Financial Year 2025-26 has already been circulated to all shareholders. With your permission, I shall take them as read.

INDIA'S JOURNEY TOWARDS VIKSIT BHARAT 2047

India continues to move forward with remarkable resilience and confidence amidst a world marked by geopolitical uncertainties, inflationary pressures, supply chain disruptions and changing global trade patterns.

The vision of "Viksit Bharat @ 2047", articulated by our Hon'ble Prime Minister Shri Narendrabhai Modi, provides a transformative roadmap for India's emergence as a developed nation by the centenary year of Independence.

India remains one of the fastest growing major economies in the world. Strong domestic demand, rising investments, technological advancement, robust infrastructure development and demographic advantages continue to position India as a preferred destination for manufacturing and industrial growth.

As India advances towards becoming a global industrial and economic powerhouse, the chemical industry will play a pivotal role in this transformation.

INDIAN CHEMICAL INDUSTRY – A BRIGHT FUTURE

The Indian chemical industry is undergoing a structural transformation.

The sector is expected to grow rapidly, supported by:

- China-plus-one global sourcing strategy
- Growth in specialty chemicals
- Rising demand from agriculture, pharmaceuticals and electronics sectors
- Increasing domestic manufacturing
- Sustainability and green chemistry initiatives

India's chemical industry is expected to grow towards a US$1 trillion opportunity by 2040.

The Chlor-Alkali industry continues to remain an important backbone for several downstream sectors such as:

- Alumina
- Pulp & Paper
- Textiles
- Soaps & Detergents

- Agrochemicals
- Pharmaceuticals
- Water Treatment

Against this backdrop, GACL remains well positioned to participate in the next phase of industrial growth.

GUJARAT – A ROLE MODEL FOR OTHERS

Over the years the Gujarat model of all-round development, success, growth and inclusive progress has been appreciated all over the Country. Investors' confidence for investment in Gujarat has grown manifolds. Gujarat houses an impressive industrial belt including a hub of chemical and petrochemical industries. The manufacturing ecosystem and contribution in industrial output have positioned Gujarat as a key contributor to the country's economy. Gujarat's policy ecosystem is geared towards catalysing robust, sustainable and inclusive growth. I am sure, with all these efforts, Gujarat will be a frontrunner state in supporting and realising the "Atma Nirbhar Bharat" vision of our Hon'ble Prime Minister. The Government of Gujarat has been introducing various schemes from time to time for creating a healthy and conducive climate for conducting business and augmenting industrial development of the state. The policies are framed with the broad idea of enhancing industrial growth that empowers people and create employment. Taking into consideration various investment friendly policies of Gujarat, your Company has registered various projects taken up from time to time under the schemes and incentives offered by Govt. of Gujarat such as..

1. Viksit Gujarat Industrial Policy 2026.
2. Gujarat Global Capability Center (GCC) Policy 2025–30.
3. Electricity Duty Exemption under The Gujarat Electricity Duty Act.
4. Scheme for Assistance for Environment Protection Measures.
5. Aatmanirbhar Gujarat Scheme 2022 – Scheme for State GST reimbursement, Interest subsidy and EPF reimbursement.
6. Gujarat Industrial Policy 2020 – Scheme for Capital Subsidy.
7. Gujarat Industrial Policy 2015 – Scheme for State GST reimbursement.

FINANCIAL PERFORMANCE DURING FY 2025-26

I am pleased to report that your Company continued its growth trajectory during FY 2025-26.

Standalone Performance

- Net External Sales increased to **₹4,246.50 Crores**
- EBITDA improved to **₹521.83 Crores**
- Profit Before Tax increased to **₹43.97 Crores**

- Profit After Tax increased to ₹**20.84 Crores**
- Earnings Per Share improved to ₹**2.84 per share**

Consolidated Performance

- EBITDA improved to ₹ **498.57 Crores**
- Profit Before Tax increased to ₹ **20.72 Crores**
- Loss After Tax decreased to ₹ **2.41 Crores**
- Earnings Per Share improved to ₹ **(0.33) per share**

During the Financial Year 2025-26, the Company experienced a quantum leap in Export capabilities. The Company has achieved highest-ever Exports of ₹946 Crores, surpassing all previous records and with GNAL, our total Exports turnover reached at ₹1242 Crores.

The Company has expanded its presence across the globe and added 4 more countries in its export footprints and now GACL is exporting its products to total 65 Countries, as on 31.03.2026.

It is gratifying to see such substantial year-over-year growth in both our standalone and consolidated performance.

Financial Performance during Quarter-1 2026-27

GACL delivered a strong start to FY 2026-27, achieving its highest ever Quarterly Sales revenue for the 1st Quarter. Sales revenue increased by ₹151.39 Crores (i.e. by 14%) to ₹1,224.84 Crores as compared to ₹1,073.45 Crores of the corresponding quarter of previous year. EBITDA for the quarter increased by ₹104 Crores (i.e. by 83%) to ₹229 Crores as compared to EBITDA of ₹125 Crores for the corresponding quarter of previous year. Profit Before Tax for the quarter has increased by ₹100 Crores (i.e. by 1000%) to ₹110 Crores as compared to Profit Before Tax of ₹10 Crores for the corresponding quarter of previous year.

This performance demonstrates the benefits of our sustained efforts in:

- Operational excellence
- Cost optimisation
- Product diversification
- Power cost reduction
- Enhanced volume growth
- Renewable energy initiatives
- Better downstream integration

OPERATIONAL PERFORMANCE DURING FY 2025-26

GACL was established in 1973 and over a period of time, it has emerged as one of the largest producers of Caustic Soda in India with a present installed production capacity of 8,73,750 MTPA (including GNAL) of Caustic Soda as on 31st March, 2026 and enjoys the economies of scale. The Company has about 15% share in the domestic Caustic Soda market.

GACL has always ensured upgrading and adapting to ecofriendly and green technologies while it ensured the optimum capacity utilisation during the FY 2025-26. The Company has achieved capacity utilisation of 95% in Caustic Soda. Capacity utilisation in other products was as follows: Chloromethanes (87%), Hydrogen Peroxide (104%), Phosphoric Acid (92%), Sodium Chlorate (106%), Poly Aluminium Chloride (88%), Potassium Carbonate (106%) & Anhydrous Aluminium Chloride (76%). Being a chemical manufacturing Company, GACL carries its passion for protecting the environment at every stage of its operations, keeping in view the interests of Customers, Shareholders, Employees, Society, other Stakeholders and Mother Nature.

DIVIDEND

I am happy to inform you that this year the Board of Directors of the Company has recommended a Dividend of ₹17.70 (i.e. 177%) per equity share of Rs. 10 each for the Financial Year ended on 31st March, 2026. This dividend will be paid out of the Profit and/or out of the free reserves of the Company.

This reflects the Board's commitment towards rewarding shareholders while maintaining financial prudence for future growth and expansion.

PROJECT AHVAAN – BUILDING THE GACL OF TOMORROW

Last year, I had spoken about the launch of **Project Ahvaan.**

I am happy to share that the initiative has gained significant momentum.

Project Ahvaan is helping us transform the Company through:

- Manufacturing Excellence
- Procurement Transformation
- Energy Cost Optimisation
- Digital Transformation
- Commercial Excellence
- Organisational Effectiveness and;
- Long-term Strategic Planning

The programme has already identified annualised value creation opportunities of approximately **₹100 Crores,** many of which are in various stages of implementation.

Project Ahvaan is not merely about cost reductions. It is about creating a future-ready GACL capable of achieving ambitious growth while remaining agile, innovative and competitive.

Under Project Ahvaan, we aim to achieve ₹10,000+ Crores Annual Revenue and 20%+ EBITDA by 2031.

GACL'S VISION 2047

I am delighted to share that during the year, the Board of Directors of the Company has approved “Vision 2047” for GACL, aligned with the national vision of Viksit Bharat 2047.

Under this vision, GACL aspires to:

- Become a globally respected chemical enterprise
- Maintain its leadership in Chlor-Alkali and value-added chemical segments
- Emerge as a technology-driven and sustainability-focused organisation
- Achieve revenue of approximately **₹40,000 Crores by 2047**
- Generate sustainable EBITDA margins of around **20%** over the long term

This vision reflects our confidence in the future and our commitment towards generation of long-term value for all stakeholders.

EXPANSION AND DIVERSIFICATION

One of the defining characteristics of GACL has always been our ability to evolve.

Over the years, we have transformed ourselves from a Chlor-Alkali Company into a diversified chemical enterprise with more than 36 products catering to diverse industries.

During the year:

- Chlorotoluene operations continued to ramp up successfully
- Food Grade Phosphoric Acid operations strengthened further
- Several value-added downstream initiatives progressed
- Capacity enhancement initiatives were undertaken
- New specialty chemical opportunities were identified

Looking ahead, the Company has planned several strategic projects including:

- Chlorotoluene downstream products
- Additional Food Grade Phosphoric Acid capacity
- Electronic Grade Hydrogen Peroxide
- HCL synthesis facilities
- Enhanced Caustic Potash production
- New generation energy-efficient technologies

These initiatives will improve chlorine integration, enhance value addition, improve profitability and reduce dependence on Caustic soda.

SAFETY

Our Quality, Health, Safety, Environment, and Energy (QHSEEn) Policy incorporates our dedication to environmental preservation and safety.

Your company has maintained its focus on safety awareness, not only for its workers and contract labourers but also for the consumers who handle its products and the local community in the vicinity of its factories. The Company frequently hosts public awareness campaigns in the nearby villages, highlighting the value of safety and concentrating on industrial risks. Regular safety awareness training sessions are also held for both contract workers and staff. In order to find and fix areas for improvement in its numerous manufacturing sites, the Company has also embraced the novel idea of "Plant Healthiness Check-up." Company has started the journey of the PSM – Process Safety Management.

To manage and reduce consequences of any emergency events, the Company has implemented its Emergency Response and Contingency Plan (ERCP). Additionally, the ERCP is updated and assessed by taking into account different Maximum Credible Scenarios. Periodically, several levels of emergency scenario mock-drills are conducted to assess preparedness and responsiveness to this ERCP. Additionally, the Company does third-party safety audits, which provide new perspectives and an alternative method for evaluating, reviewing, and analyaing the company's safety management initiatives.

I am happy to inform that as on 07th September, 2026, your Company has achieved 1500 Accident-Free days working at our Vadodara Complex, 157 Accident-Free days working at Dahej main complex and 484 Accident-Free days working at D/II/9 Complex.

POWER TRANSFORMATION AND DECARBONISATION

Power remains one of the most important cost elements for the Chlor-Alkali industry.

I am happy to state that GACL has emerged as a frontrunner among Indian chemical companies in renewable energy adoption.

Today, GACL has:

- 171.45 MW Wind Power capacity
- 35 MW Ground Mounted Solar Power capacity
- Floating Solar installations
- Rooftop Solar installations
- Multiple renewable sourcing arrangements
- Ongoing hybrid renewable projects through SPV mode

Our objective is to achieve 45% renewable power in the near term and scale to approximately 80% renewable energy beyond FY 2028-29.

This transition is expected to significantly improve cost competitiveness while advancing our sustainability objectives.

COMMITMENT TO SUSTAINABILITY

Sustainability remains central to our business philosophy.

I am pleased to inform you that:

- GACL received Eco Vadis Silver Rating with an excellent sustainability score.
- The Company continues to maintain ISO certifications relating to Quality, Environment, Safety and Energy Management.
- The Company's continued commitment to occupational health and safety was further recognised at the national level with the Vadodara Complex receiving the "Certificate of Merit" from the National Safety Council in Group B - Manufacturing Sector during the 39th APOSHO International Conference. This recognition reflects the Company's strong performance and sustained achievements in Occupational Safety and Health during the period 2022–2024, based on its 2025 Award Application.
- 'Customer First' remains our prime motto. As a part of which we implemented the programme of "Round Robin" this year onwards.
- Significant progress has been achieved in water recycling, waste management and carbon emission reduction initiatives.
- More than 57,000 trees at Dahej and 12,243 trees at Vadodara have been grown and maintained.
- Our sustainability journey is not a compliance exercise. It is integral to our long-term business strategy.

INFORMATION TECHNOLOGY, DIGITAL TRANSFORMATION AND ARTIFICIAL INTELLIGENCE

The future belongs to organizations that successfully combine chemistry with technology.

During the year, GACL continued to advance its digital transformation journey with focus on operational efficiency, system resilience, smart plant operations and data-driven decision-making.

GACL's digital transformation program covers:

- Industry 4.0 technologies
- Artificial Intelligence and Data Analytics
- ERP modernisation
- Cybersecurity enhancement

- Operational technology integration
- Data governance and privacy readiness

These initiatives are intended to improve productivity, reliability, safety, process visibility and decision-making across the organisation.

As we adopt emerging technologies, cybersecurity, responsible AI use, data governance and employee capability building will remain our important priorities. Our objective is to use technology to support employees, strengthen operations and build a more integrated, resilient and future-ready GACL.

OUR PEOPLE – THE FOUNDATION OF OUR SUCCESS

No company can succeed without its dedicated people.

I record my deepest appreciation to every employee of GACL for their commitment, professionalism and resilience.

The Company continues to invest heavily in:

- Leadership development
- Technical capability enhancement
- Collaboration with premier educational institutes like IITs and IIMs for providing trainings
- Employee wellness
- Diversity and inclusion
- Employee engagement programmes

Our workforce remains the driving force behind every milestone achieved by the Company.

Your Company considers its employees its most valuable asset and remains committed to building a dynamic, resilient and future-ready workforce.

The Company is focusing on talent development, employee engagement, leadership development and aligning people strategies with the Company's long-term objectives.

In the rapidly evolving chemical industry, upskilling and reskilling remain a critical challenge. The Company has collaborated with reputed academic institutes like IIM- Ahmedabad and IIT-Gandhinagar, which would ensure the best quality inputs to support the organisation's growth plans. We are also planning to conduct “Structured Assessment Centres” for key talents of the company to carry out competency mapping and groom them for critical positions and build a succession pipeline in consultation with professional agency.

We also conducted various programmes for employees' family members in the year 2025-26 like

“GACL Master Stroke for students in career years”,

“GACL Shakti for spouses of employees”,

“Aapdu GACL, Aapdo Pariwar - Plant visit for family members of employees”.

We are also planning an “Employee Satisfaction Survey" to capture the pulse of the employees in consultation with third party professional agency through an online portal without any manual intervention.

We continue to acknowledge long-term association and loyalty of our employees through recognition by giving Long Service Awards. Further, popular sessions on “Vadil Hovano Vaibhav” (socialising skills after retirement) were conducted for all the retiring employees during the financial year 2025-26.

Overall, the Company continues to invest in its people through capability building, engagement, wellness, inclusion and recognition, strengthening the workforce as a key driver of sustainable growth.

CSR AND SOCIAL IMPACT

At GACL, we believe that growth must be inclusive.

Our CSR interventions during the year continued to focus on:

- Education
- Healthcare
- Nutrition
- Skill development
- Women empowerment
- Water conservation
- Environment protection
- Care of special children

I am particularly pleased with our continuing efforts in improving nutrition, supporting government schools and enhancing community infrastructure in the regions surrounding our operations.

The social impact created through our initiatives continues to reinforce the Company's commitment to responsible nation-building.

APPRECIATION

I express my sincere gratitude to all my colleagues on the Board for their valuable guidance, wisdom and support.

On behalf of the Board of Directors, I would like to extend a warm welcome to newly appointed Independent Director Shri Sanjay Joshi.

I would also like to thank Shri S J Haider, IAS (Retd.) who served the Company as Director and Shri Rajiv Lochan Jain, who served the Company as an Independent Director.

I take this opportunity to congratulate Smt. Avantika Singh, IAS, Managing Director, for her visionary leadership and commitment towards the transformation and growth of GACL.

I place on record my appreciation to:

- The Government of India
- The Government of Gujarat
- Energy & Petrochemicals Department
- Financial Institutions and Banks
- Auditors
- Customers
- Suppliers
- Dealers
- Local Communities and
- Shareholders

for their continued support and cooperation.

Most importantly, I thank every member of the GACL family for their unwavering dedication in building a stronger, greener and more future-ready company.

CONCLUSION

As we move forward, our priorities remain clear:

- Sustainable Growth
- Financial Strength
- Operational Excellence
- Innovation
- Environmental Responsibility and
- Stakeholder Value Creation

With a strong foundation, a clear Vision 2047, committed leadership and a dedicated workforce, I am confident that Gujarat Alkalies and Chemicals Limited will continue to scale new heights and create enduring value for all the stakeholders.

Thank you for your continued trust and confidence.

JAI HIND

Gujarat Alkalies and Chemicals Limited

(An ISO Certified Company) (Promoted by Govt. of Gujarat)

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