



Punjab Alkalies & Chemicals Limited

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PACL:SEC:2022:1879

01.11.2022

BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Fort,
MUMBAI-400 001

Scrip Code : 506852

Subject:- Press Release on the Unaudited Financial Results for the quarter and half year ended September, 2022.

Dear Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Press Release on the Unaudited Financial Results for the quarter and half year ended September, 2022.

Thanking you,

Yours faithfully,
For PUNJAB ALKALIES & CHEMICALS LIMITED

SUGANDHA KUKREJA
Company Secretary & Compliance Officer

Encl: as above.



Punjab Alkalies & Chemicals Limited

Robust Q2 FY23 performance, with Revenues of Rs. 1,857 Mn, up by 113% YoY

EBITDA increased to Rs. 614 Mn with margins of 31.6%

Net Profit increased to Rs. 418 Mn

Chandigarh, November 1, 2022: Punjab Alkalies & Chemicals Ltd. ([BSE: 506852](#)) is one of the largest producers of Caustic Soda in North India region. The Company has announced the results for quarter ending 30th September 2022.

Q2 FY23 Consolidated Performance Highlights:

Revenue from Operations of Rs. 1,857 million, growth of 113% y-o-y from Rs. 870 million in Q2 FY23

- Revenue growth was primarily driven by better realization of caustic soda pricing and global economic and political scenario lead by increase in demand and volume of CSL.
- Caustic soda lye sales contributed 97% to the Q2 FY23 sales with capacity utilization of 94%. The caustic soda volumes grew by 26% y-o-y from 26,872 MT to 33,995 MT driven by consistent demand from key end-user industries.

EBITDA of Rs. 614 million compared to (374) million in same quarter last year

- EBITDA growth was driven by robust increase in revenue and higher operational efficiencies.
- In Q2 FY23, PACL registered EBITDA margins of 31.6% despite the rise in input costs.

Net Profit of Rs. 418 million, compared to Rs. (373) million in Q2 FY22

- Net Profit margins improved to 21.5% as compared to (41.7%) in Q2 FY22.

Commenting on the results, Mr. Naveen Chopra, Managing Director, said:



“I am pleased to announce that PACL continues to maintain its growth momentum in the second quarter amidst volatile economic scenario. This strong performance was driven by increase in sales volume and better realizations. The revenue from operation remained at Rs.1,857 million for the quarter with growth of 113% year on year. EBITDA for the period remained at Rs. 614 million with superior margins of 31.6%. Net Profit was Rs. 418 million, compared to Rs. (373) million in Q2 FY22 with margins of 21.5% and (41.7%) respectively. This performance is in line with our future growth objective through Strategic Initiatives of Capacity expansion, process optimization, product portfolio expansion and efficient costing.

On update of our multiple expansion plans, 35 MW Power Plant, SBP (Stable Bleaching Powder) Plant, Caustic Flaker Unit and Aluminium Chloride project are under progress as per schedule. Hydrogen Peroxide Plant is under pipeline. Paracetamol API manufacturing project is at Environment clearance stage, which will be a mega project in the history of the company. These projects will enable us to reduce our energy costs and help us to increase our chlorine consumption (in line with our forward integration strategy) which is a key raw material thereby increasing the production of Caustic Soda. These projects shall have positive impact on company's topline and thereby increase profitability by Q4FY23 onwards.

The world economy continued to face significant pressure because of the food security, energy pricing and supply chain disruptions associated with ongoing war in the Ukraine. Despite all this external influence we remain confident in our product offerings and cost-efficient business model. Our recent developments across the business and upcoming developments will strongly position PACL within the industry.

Customer satisfaction remains our key focus area through which we can build long term relationship and expand our product offerings efficiently. We remain committed to using eco-friendly, cost-effective technology and safest practices at our plants leading us to sustainable business growth going forward”.

Consolidated Financial Performance:

(Rs. Million)	Q2		Y-o-Y	Q1	Q-o-Q
	FY2023	FY2022*	Growth (%)	FY2023	Growth (%)
Revenue from Operations	1,857	870	113%	1,863	(0.3)%
Other Income	89	24	270%	51	73.2%
Total Income	1,946	894	117.6%	1,914	1.7%
EBITDA	614	(374)	nm	701	(12.4)%
Margin	31.6%	(41.8)%		36.6%	
EBIT	570	(416)	nm	656	(13.2)%
Margin	29.3%	(46.6)%		34.3%	
Net Profit	418	(373)	nm	480	(13.0)%
Margin	21.5%	(41.7)%		25.1%	

Notes:

- EBITDA and EBIT Margins are calculated on Revenue from Operations.
- Net Profit Margin is calculated on Total Income.
- *Allotment 45,00,000 Sweat Equity Managing Director @ Rs 10/- each amounting to Rs 450 lakhs (2020-21 Rs 400 lakhs) and Security Premium @ Rs 79.05/- amounting to Rs 3,557.25 lakhs (2020-21. Rs 1,575.20 lakhs) has been added back under cash flow from operating activities being a non-cash item.

About Punjab Alkalies & Chemicals Limited:

Punjab Alkalies & Chemicals Limited, incorporated as a Public Limited Company on 1st December 1975, is one of the largest producers of Caustic Soda in North India region. The company's main product is Caustic Soda Lye (500 TPD) and by products include Hydrochloric Acid, Liquid Chlorine, Sodium Hypochlorite and Hydrogen gas. PACL is running two manufacturing units which are based on the state-of-the-art, energy efficient, eco-friendly HOECHST-UHDE membrane cell technology and the present combined plant manufacturing capacity is 165,000 (100% basis) TPA of Caustic Soda.

For further information, please contact

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Safe Harbour

This press release may include statements of future expectations and other forward-looking statements based on management's current expectations and beliefs concerning future developments and their potential effects upon Punjab Alkalies & Chemicals Ltd. ("PACL"). These forward-looking statements involve known or unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from our expectations include, amongst others: general economic and business conditions in India and overseas, our ability to successfully implement our strategy, our research and development efforts, our growth and expansion plans and technological changes, changes in the value of the Rupee and other currency changes, changes in the Indian and international interest rates, change in laws and regulations that apply to the related industries, increasing competition in and the conditions of the related industries, changes in political conditions in India and changes in the foreign exchange control regulations in India. Neither PACL, nor our Directors, or any of our subsidiaries/associates assume any obligation to update any forward-looking statement contained in this release.