

GFL: BRD: 2019

17th June, 2019

The Secretary
BSE Limited
 Phiroze Jeejeebhoy Towers
 Dalal Street, Mumbai 400 001
 Scrip code: 500173

The Secretary
National Stock Exchange of India Limited
 Exchange Plaza, Bandra Kurla Complex
 Bandra (E), Mumbai 400 051
 Scrip Code: GUJFLUORO

Sub: Disclosure of Material Events / Information under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Schedule of Analysts / Investors Meetings.

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Company has scheduled Analysts / Investors Meetings as per the details given below.

Sr. No.	Name of the Analysts / Investors and their Representatives	Type of Meeting	Date and Time of Meeting	Place of Meeting
1.	Reliance Mutual Fund - Mr. Manish Gunwani & Mr. Tejas Sheth	One to one	18 th June, 2019 11:00 – 12:00pm	Reliance Centre, 7th Floor, South Wing, Near Prabhat Colony, Santacruz (East), Mumbai 400 055.
2.	Reliance Life Insurance - Mr. Deepak Gupta	One to one	18 th June, 2019 12:15 – 01:15pm	Reliance Centre, 5th Floor, South Wing, Near Prabhat Colony, Santacruz (East), Mumbai 400 055.
3.	Edelweiss AMC - Mr. Harshad Patwardhan, Mr. Harsh Kothari & Mr. Pratik Dharmshi	One to one	18 th June, 2019 01:45 – 02:45pm	8th Floor, Windsor, Off C.S.T. Road, Kalina, Mumbai 400 098.
4.	Daiwa Asset Management (I) Pvt Ltd. - Mr. Sagar Lele & Others	One to one	18 th June, 2019 05:30 – 06:30pm	10th Floor, 3 North Avenue, Maker Maxity, Bandra-Kurla Complex, Bandra East, Mumbai 400 051.

5.	Aditya Birla Sun Life AMC - Mr. Jayesh Gandhi & Mr. Anil Shah	One to one	19 th June,2019 10:30 – 11:30am	One Indiabulls Centre, Tower 1, 17th floor, Jupiter Mills Compound, 841, S.B. Marg, Elphinstone Road, Mumbai 400 013.
6.	Birla Sun Life Insurance Co Ltd - Mr. Trilok Agarwal & Mr. Sujit Lodha		19 th June,2019 11:45 - 12:45pm	One India Bulls Centre, Tower 1, 16th floor, Jupiter Mills Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013.
7.	Dalton Investments LLC - Mr. Siva Thiravidamony		19 th June,2019 01:30 - 03:00pm (Lunch Meeting)	Restaurant- <i>Maya</i> , 1st Floor, Trident Hotel BKC, C-56, G Block, Bandra Kurla Complex, Mumbai 400 051.
8.	Principal Asset Management Co. Ltd. - Mr. Siddarth Mohta & Others		19 th June,2019 03:30 – 04:30pm	Exchange Plaza, NSE Complex, Ground floor, B Wing, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051.

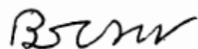
Note: The above schedule may undergo changes due to any exigencies on the part of the Analysts/Investors or the Company.

A copy of the Investors Presentation prepared by the Company which it proposes to make to the Analysts / Investors during the Meeting(s) is enclosed and the said Investors Presentation has also been uploaded on the website of the Company.

We request you to please take the above on record.

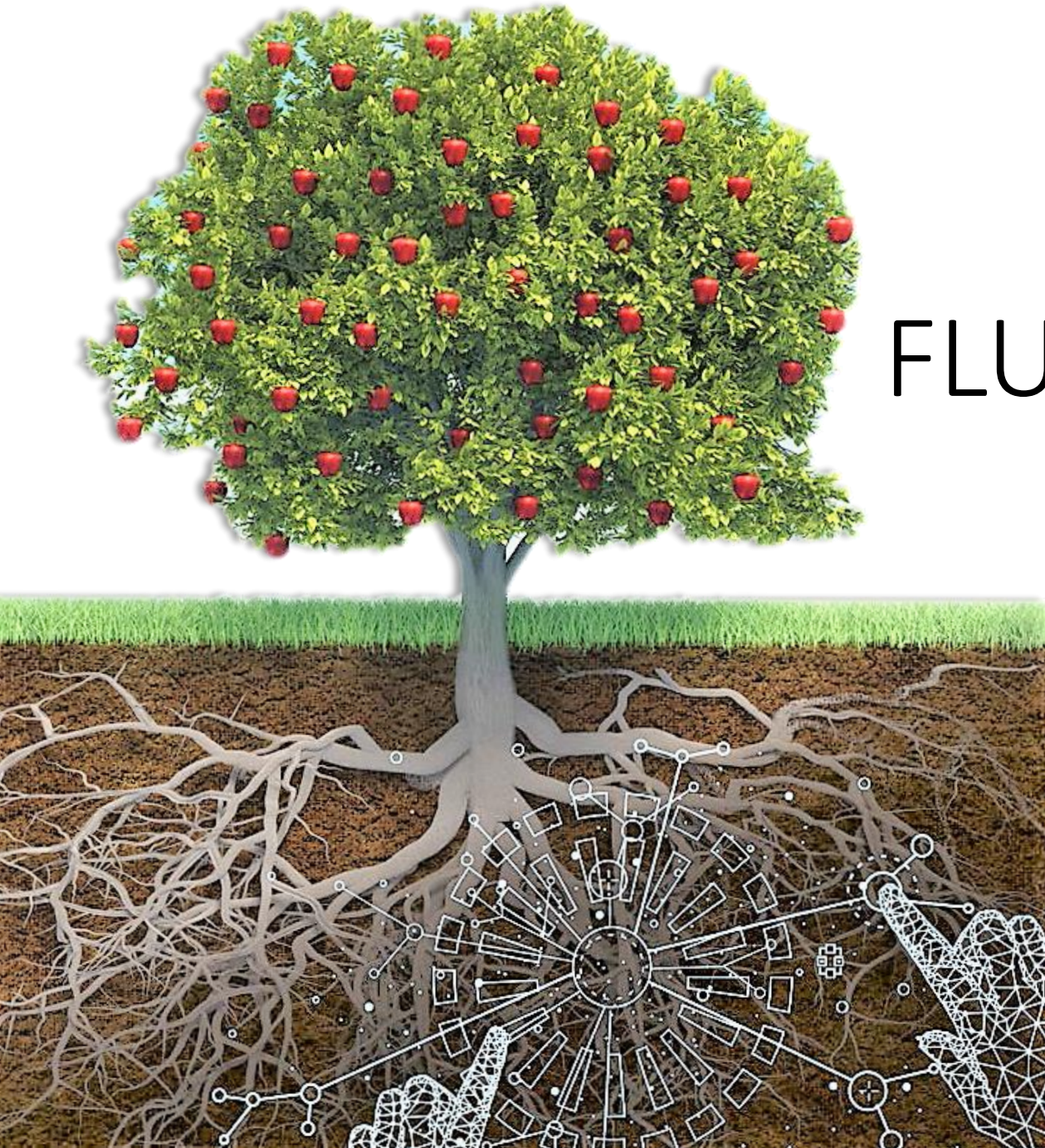
Thanking you,

For Gujarat Fluorochemicals Limited



Bhavin Desai
Company Secretary

Encl as above



GUJARAT FLUOROCHEMICALS LIMITED

Investor Presentation

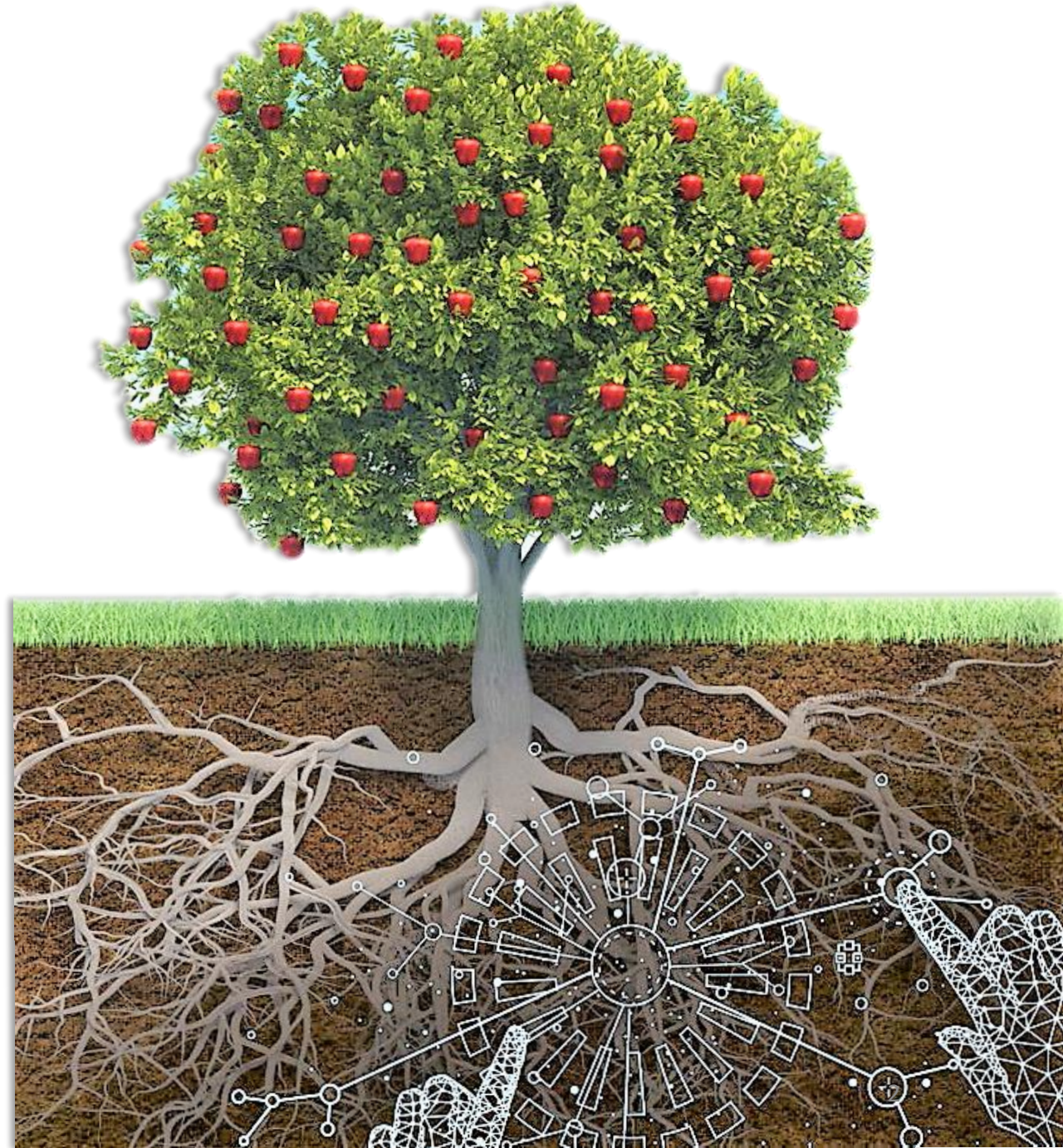
June, 2019

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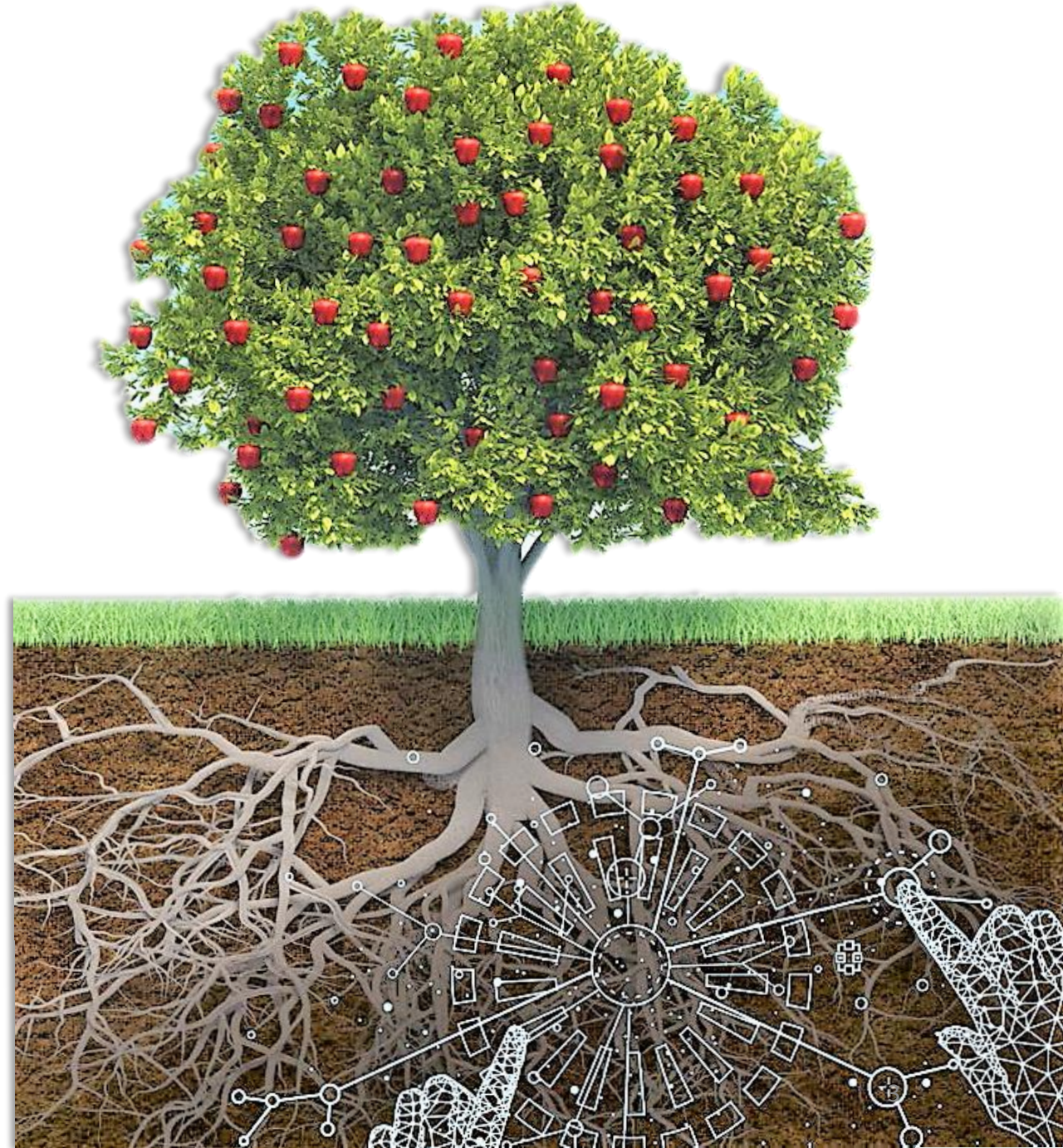
- Financial Performance
- Outlook
 - Fluoropolymers
 - Specialty Chemicals
- Demerger

Notes:

1. All numbers in this presentation are based on the Standalone Financial Accounts of GFL, and represent the chemical business alone.
2. The impact of extra-ordinary items like material non-recurring tax refunds has been removed from the numbers

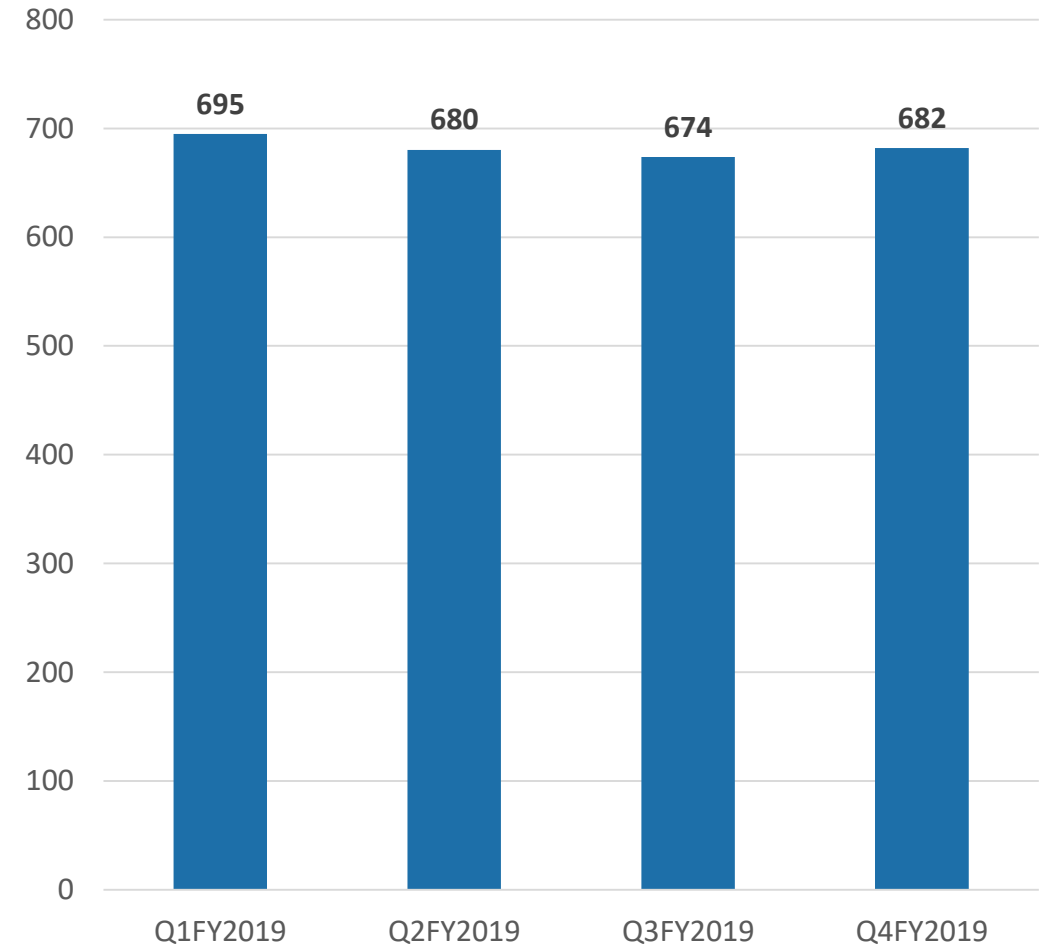
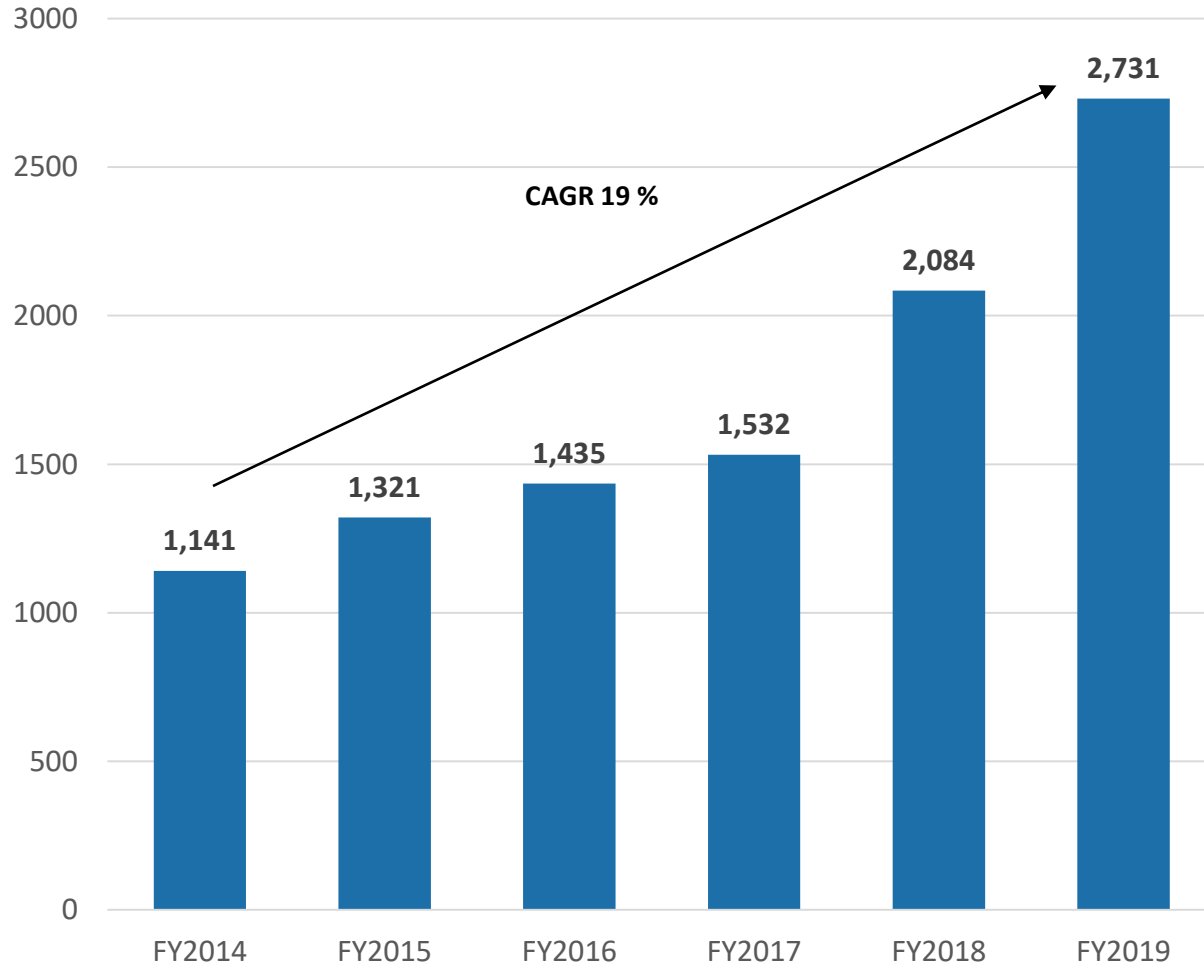


Financial Performance



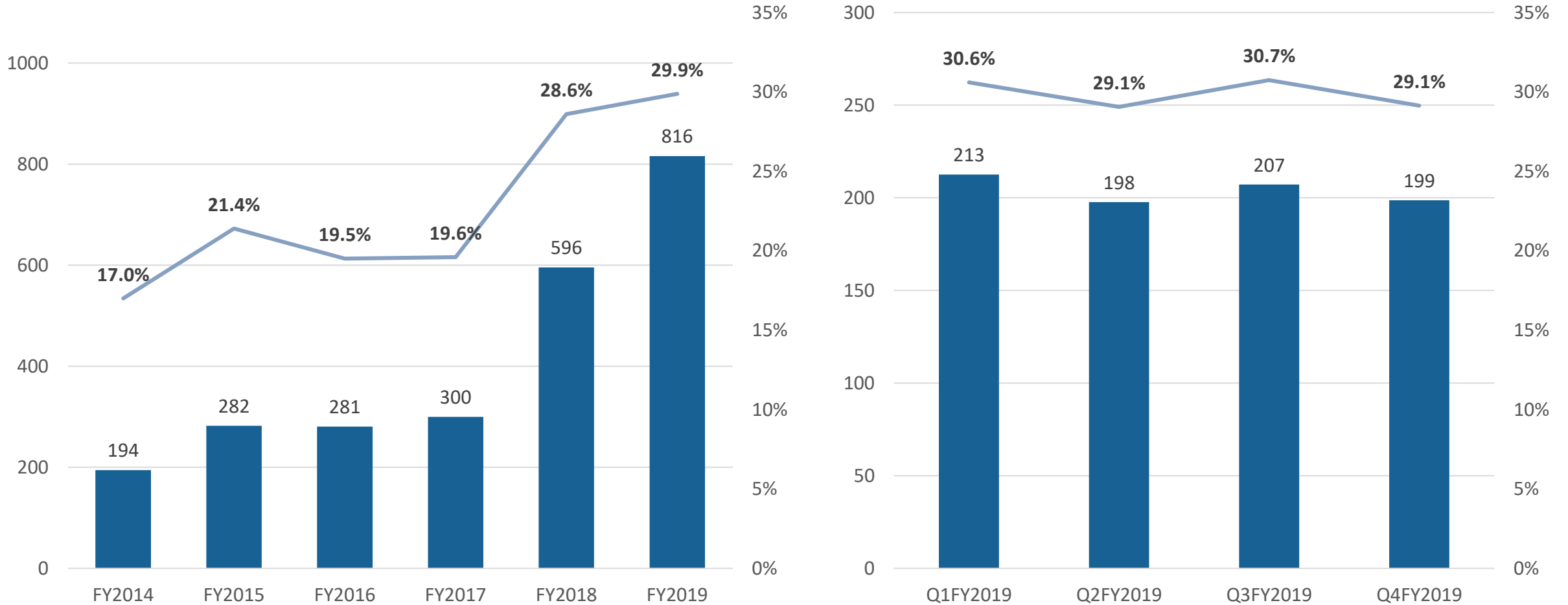
Revenues

Rs. in crores



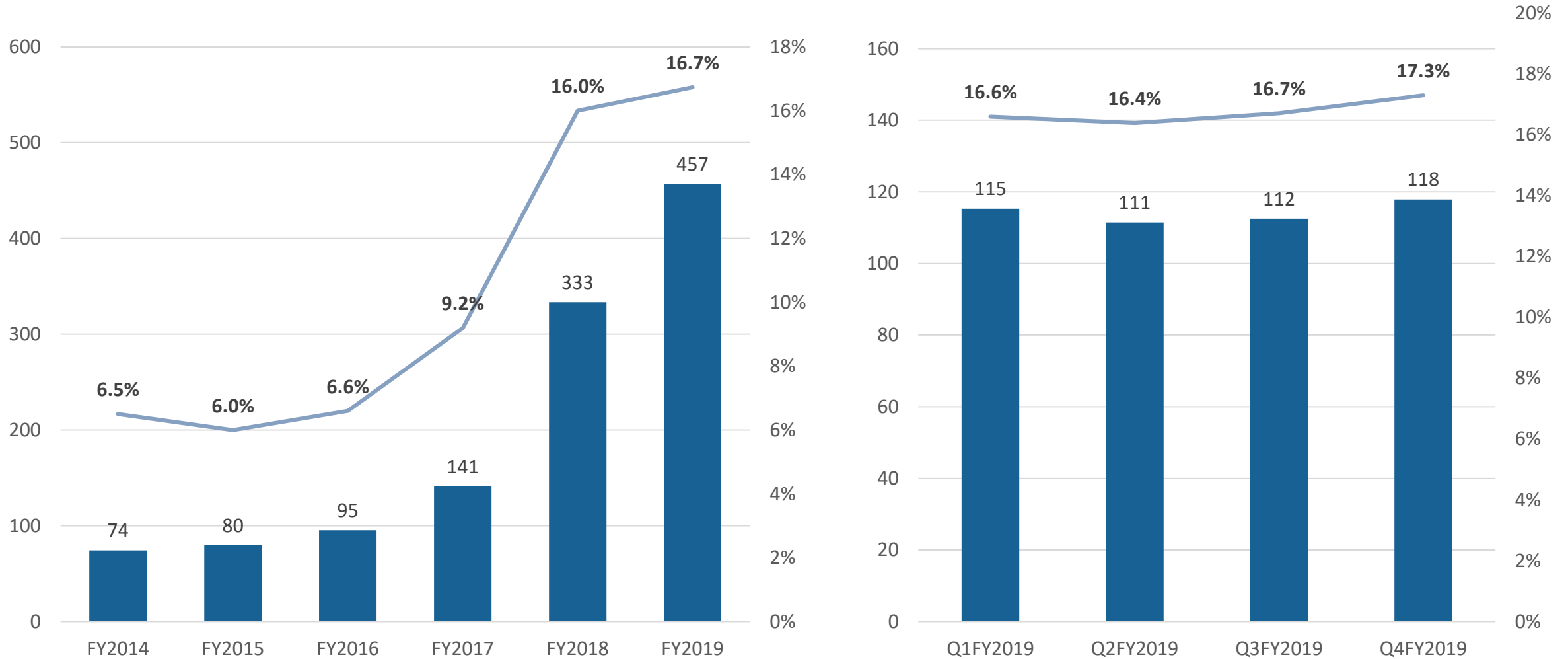
EBITDA and EBITDA margin

Rs. in crores



PAT and PAT margin

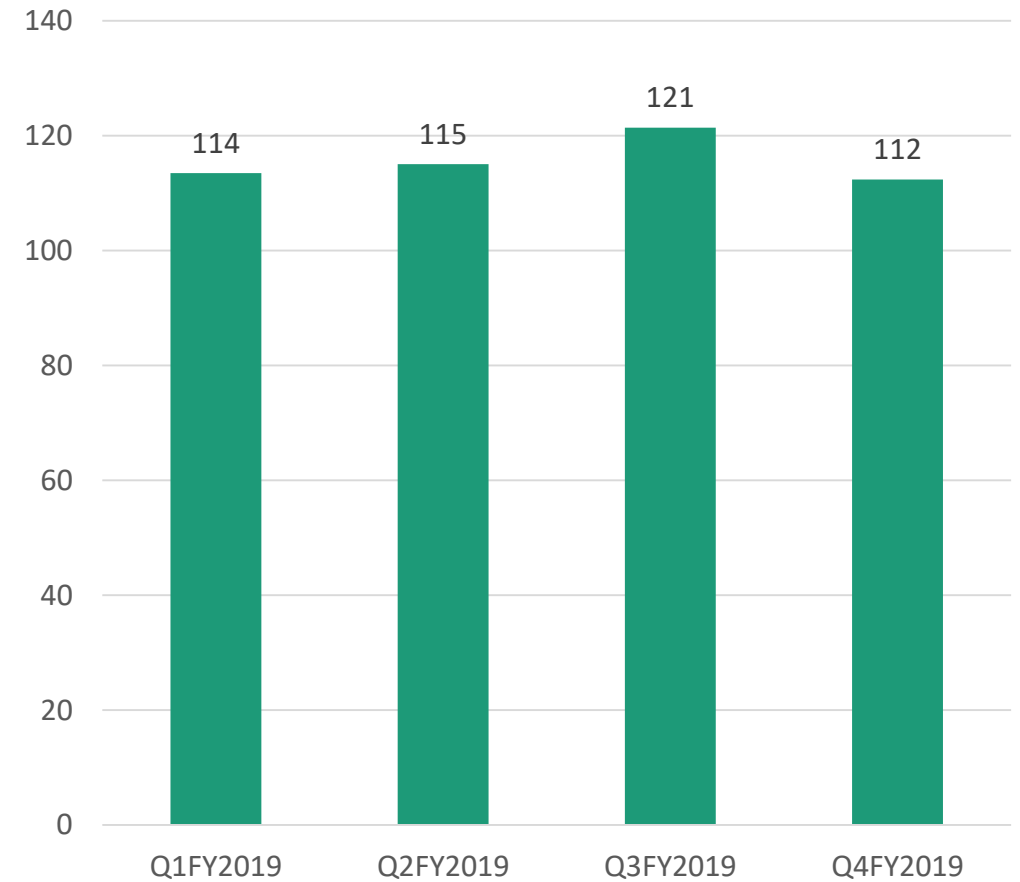
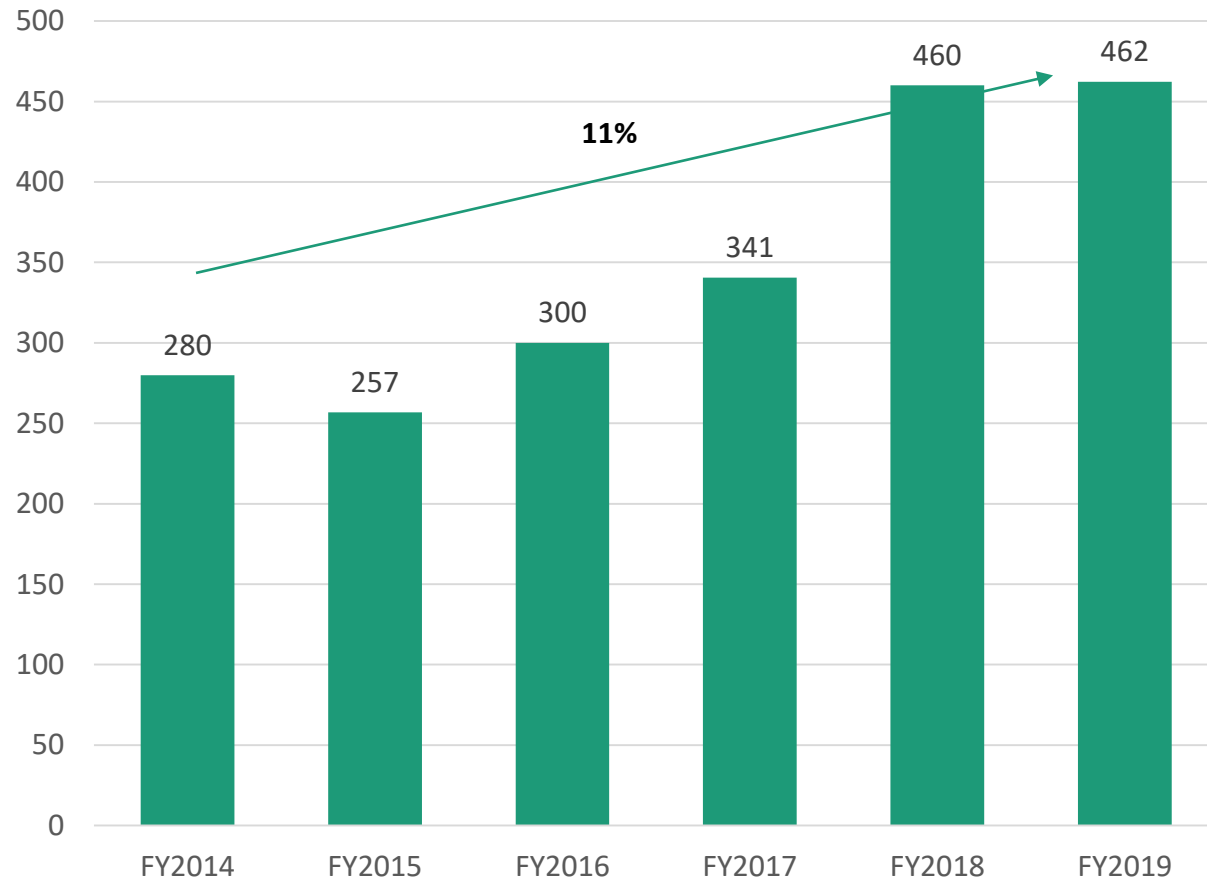
Rs. in crores



Note: PAT and PAT margin are after excluding exceptional items

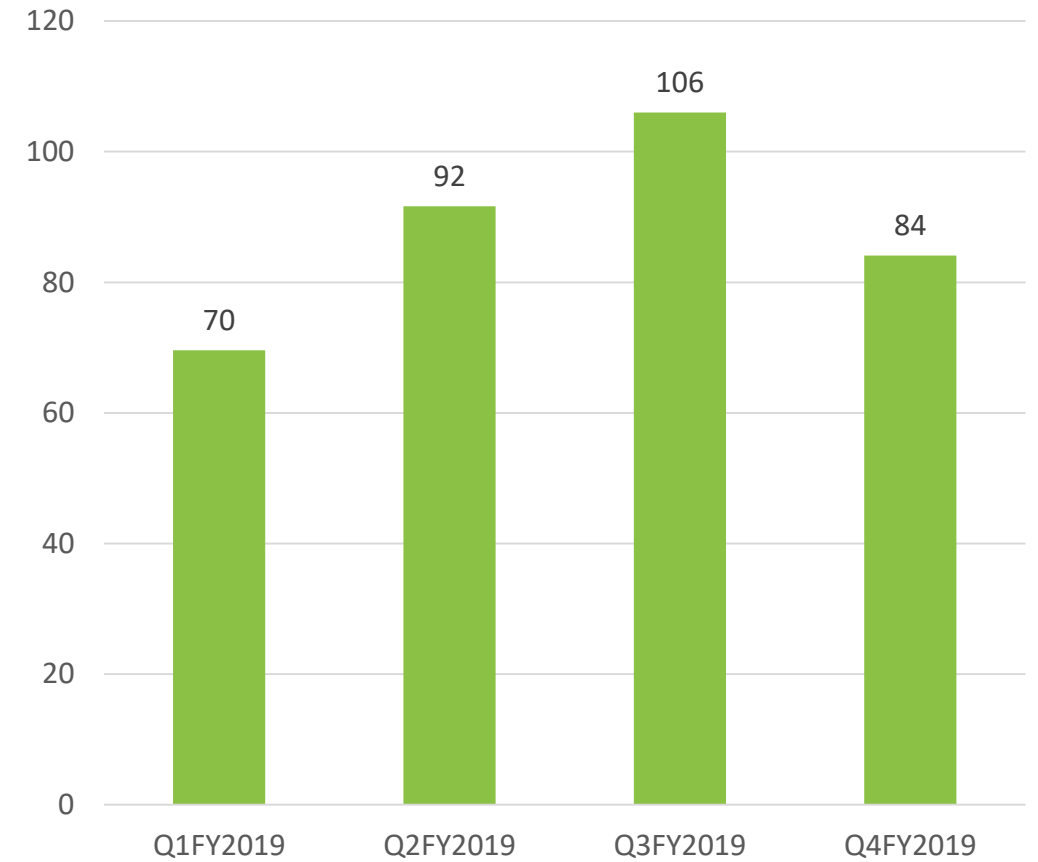
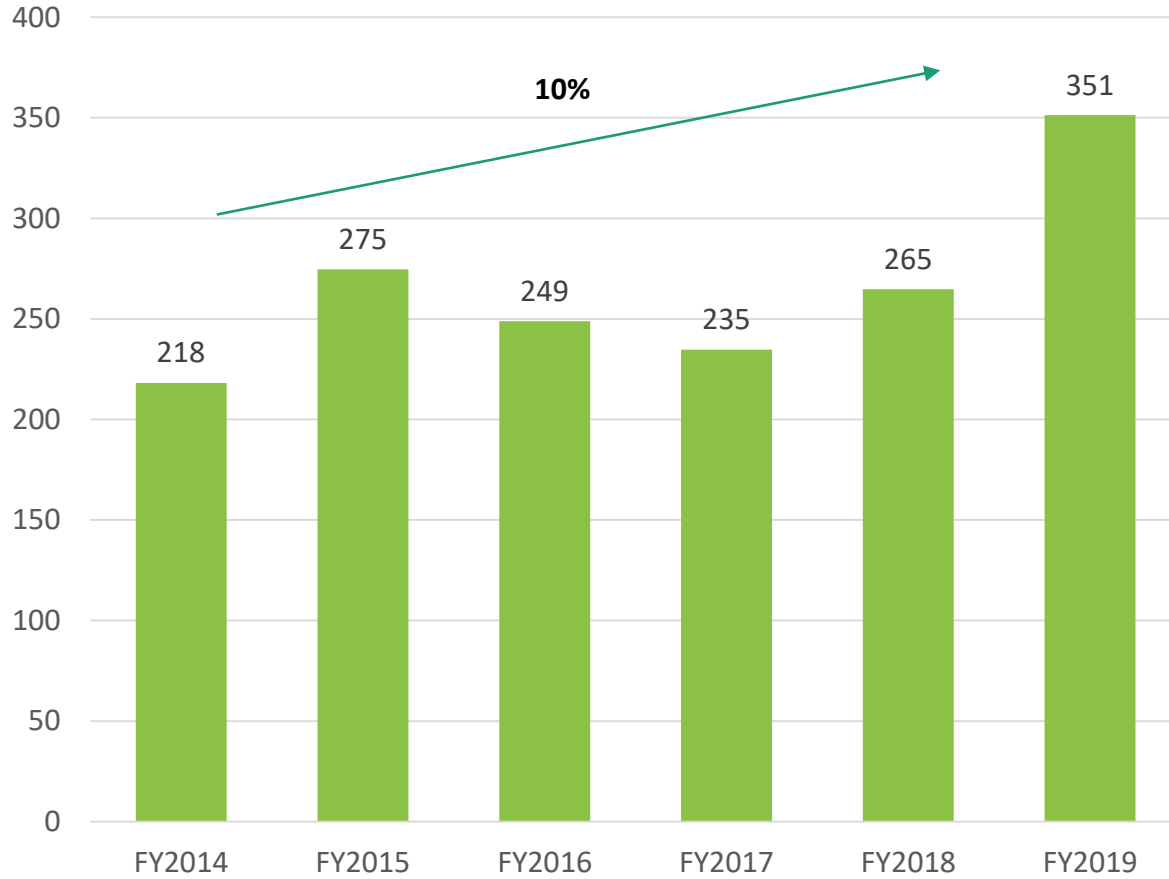
Revenues – Caustic Soda

Rs. in crores



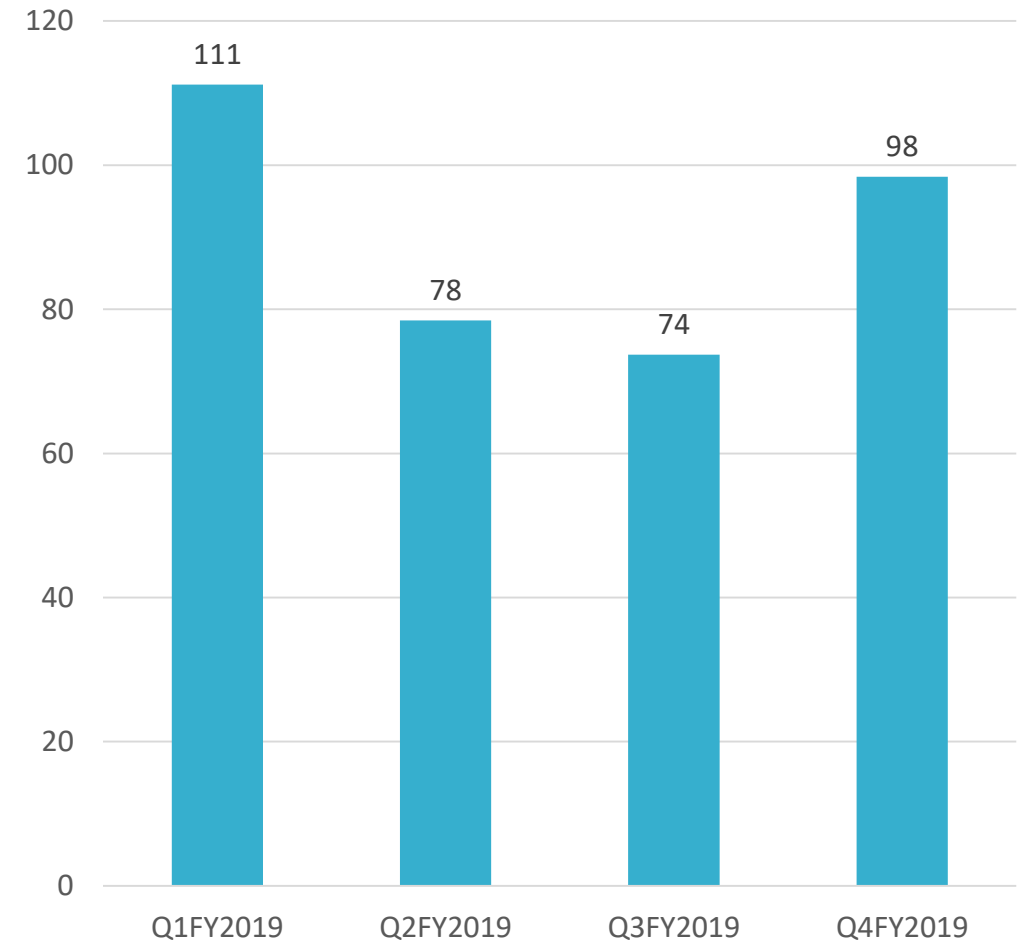
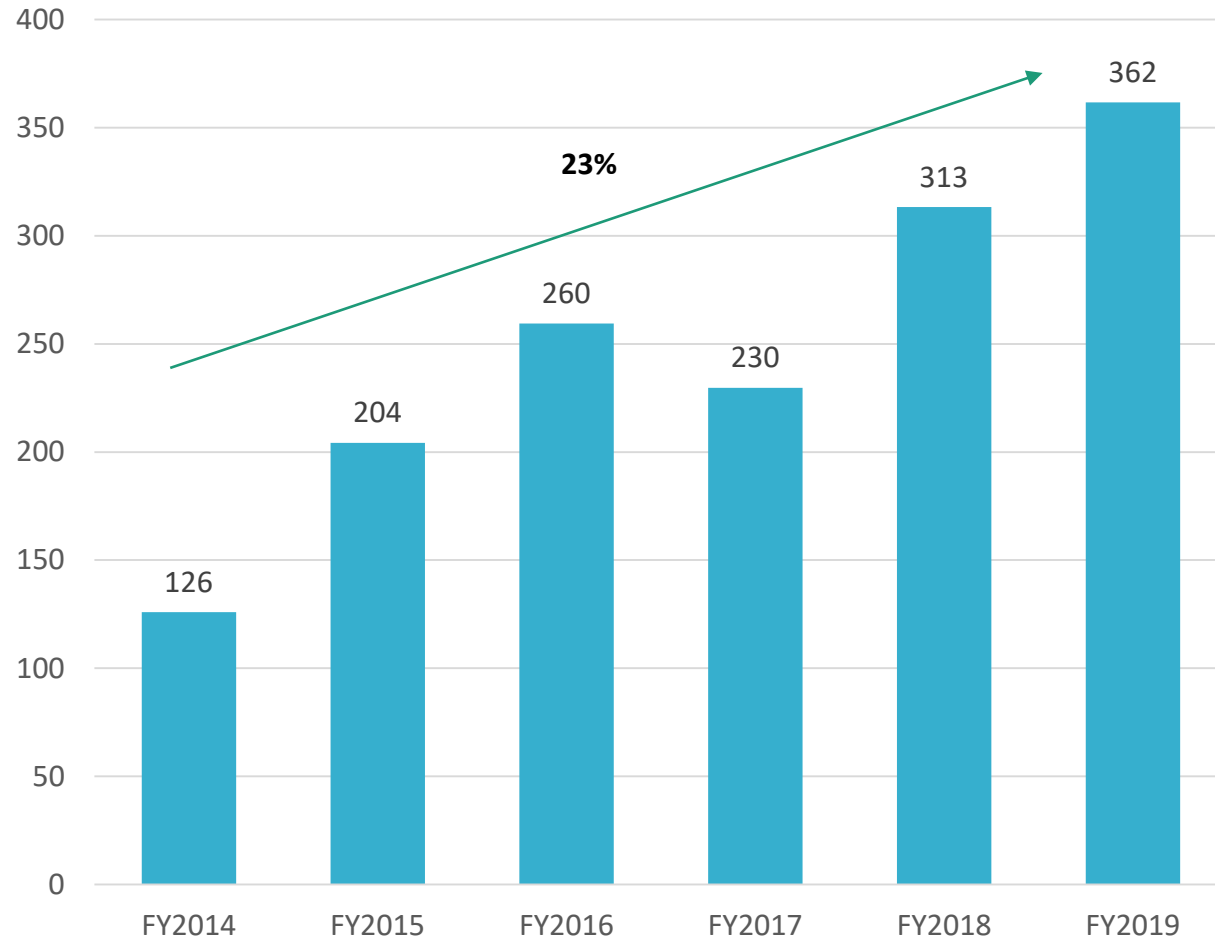
Revenues – Chloromethanes

Rs. in crores



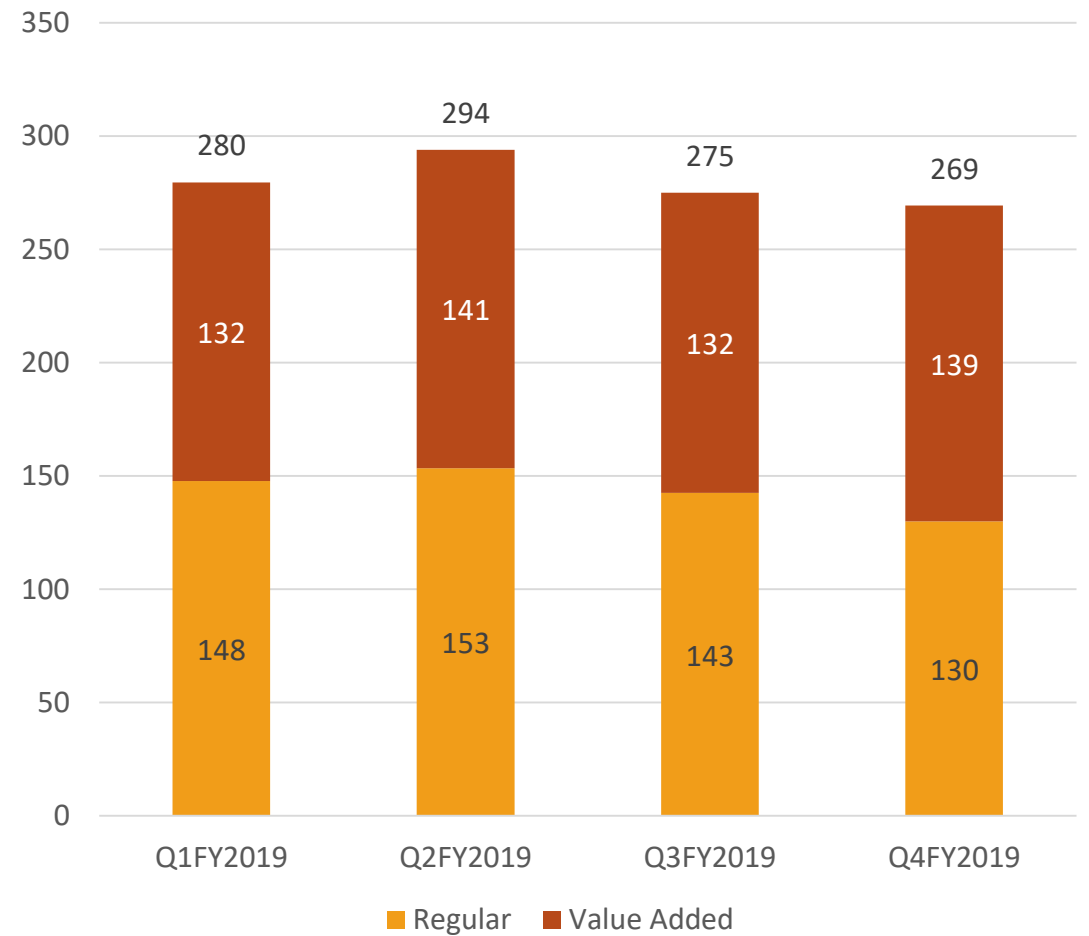
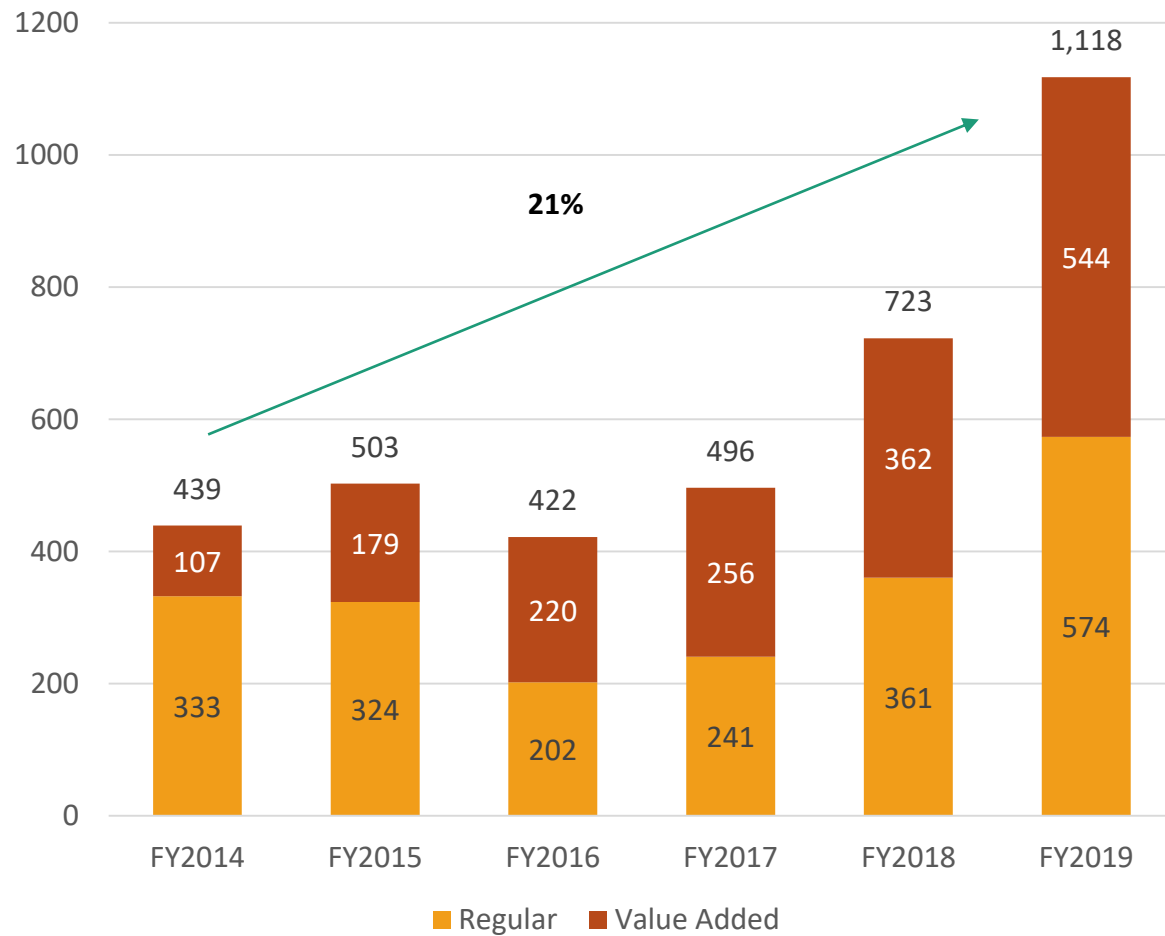
Revenues – Refrigerants

Rs. in crores



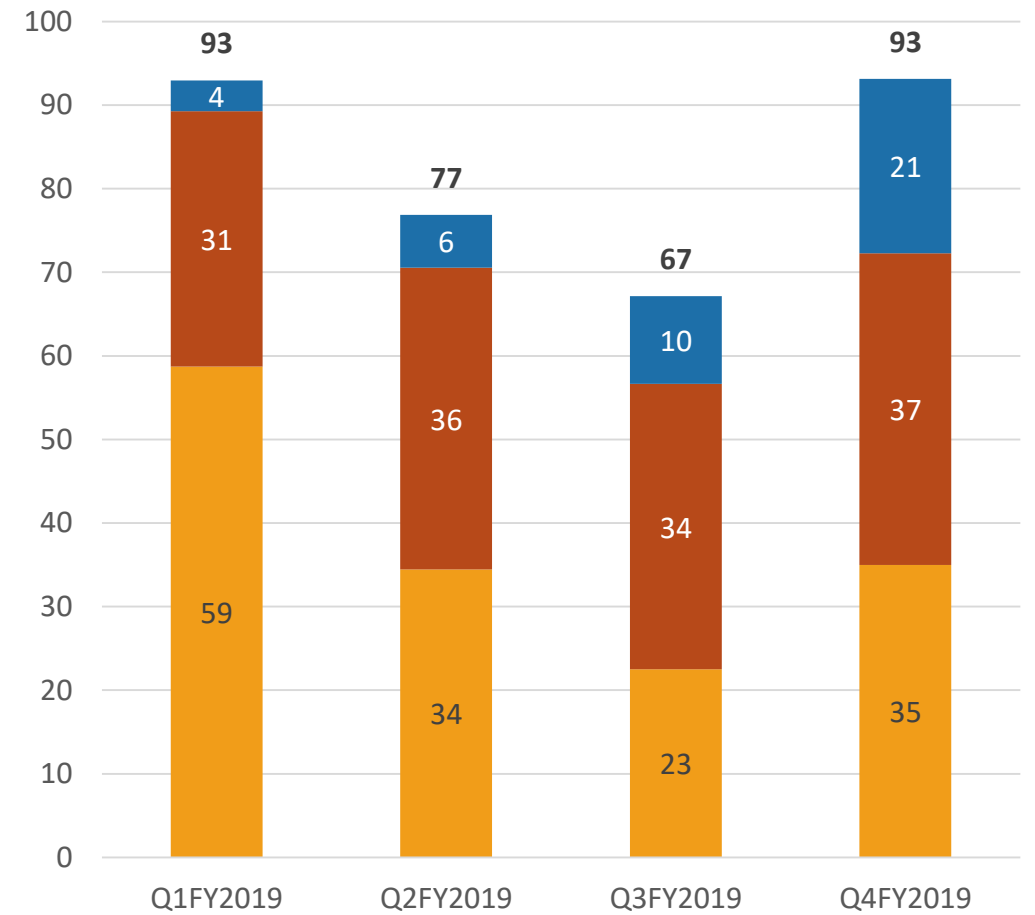
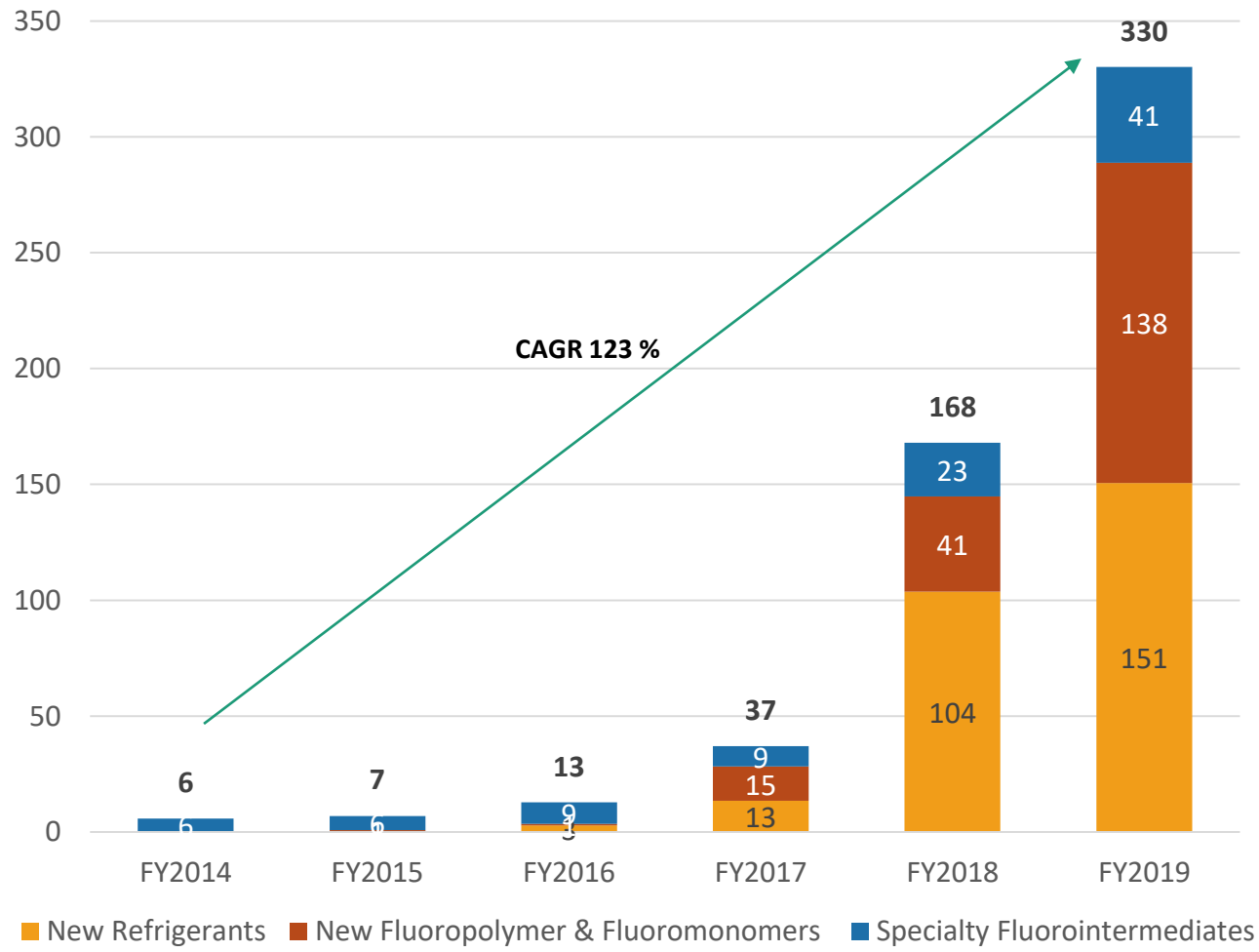
Revenues – PTFE

Rs. in crores



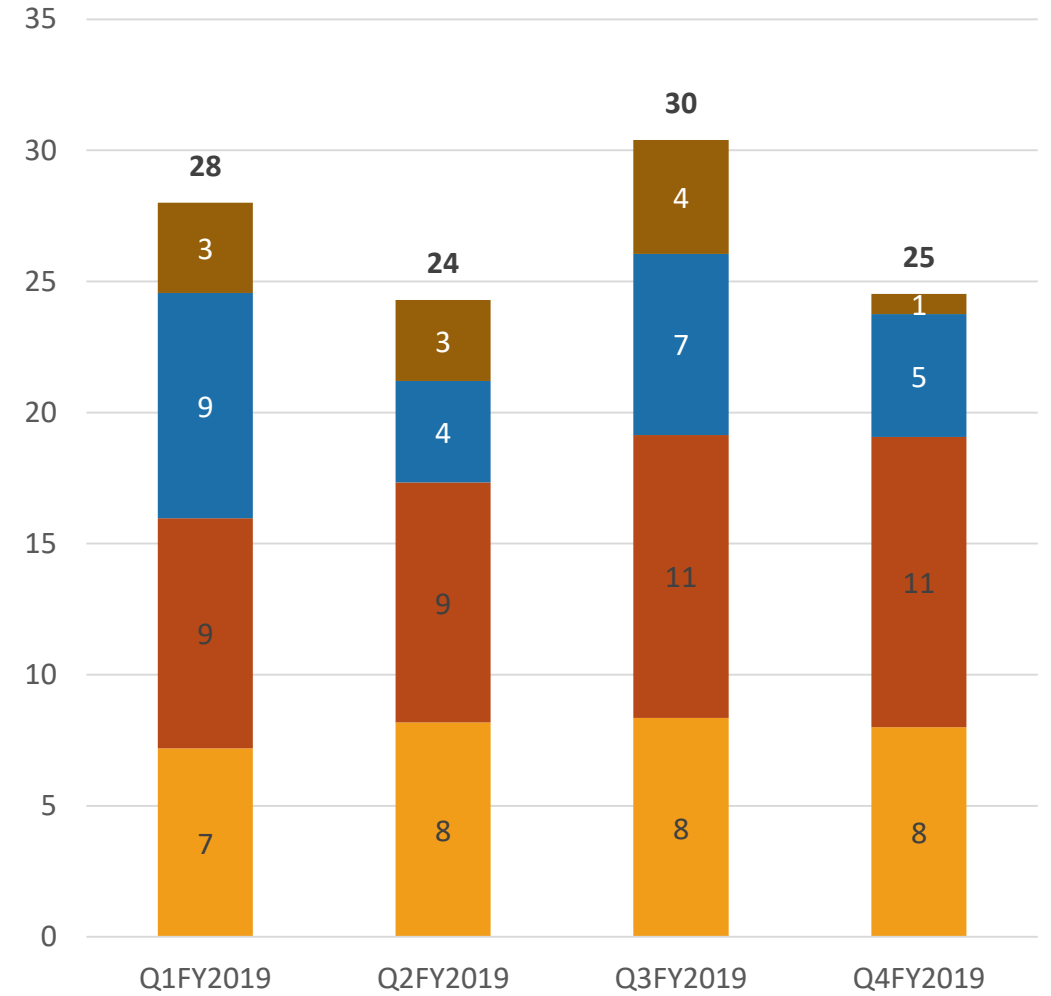
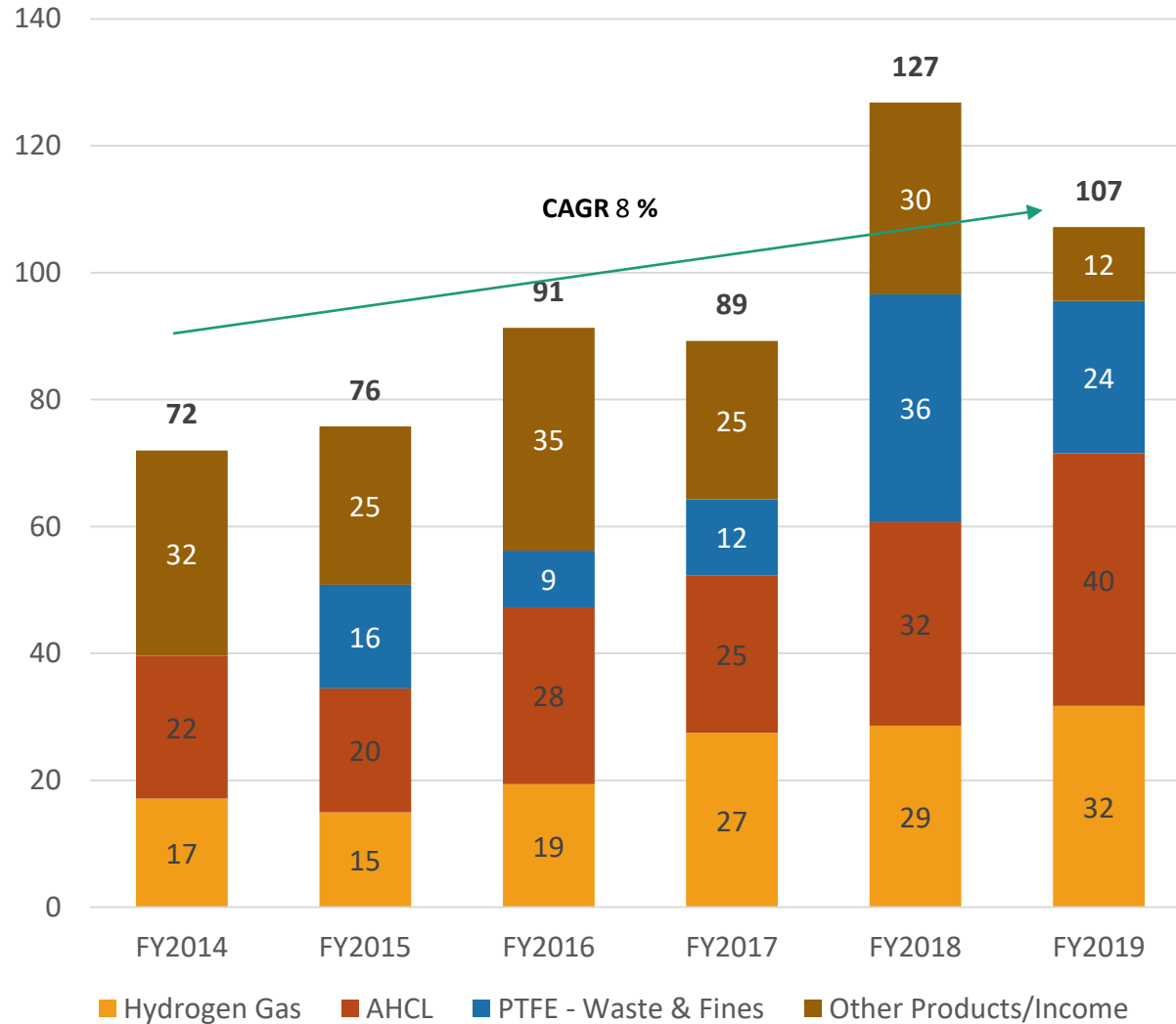
Revenues - VAP

Rs. in crores



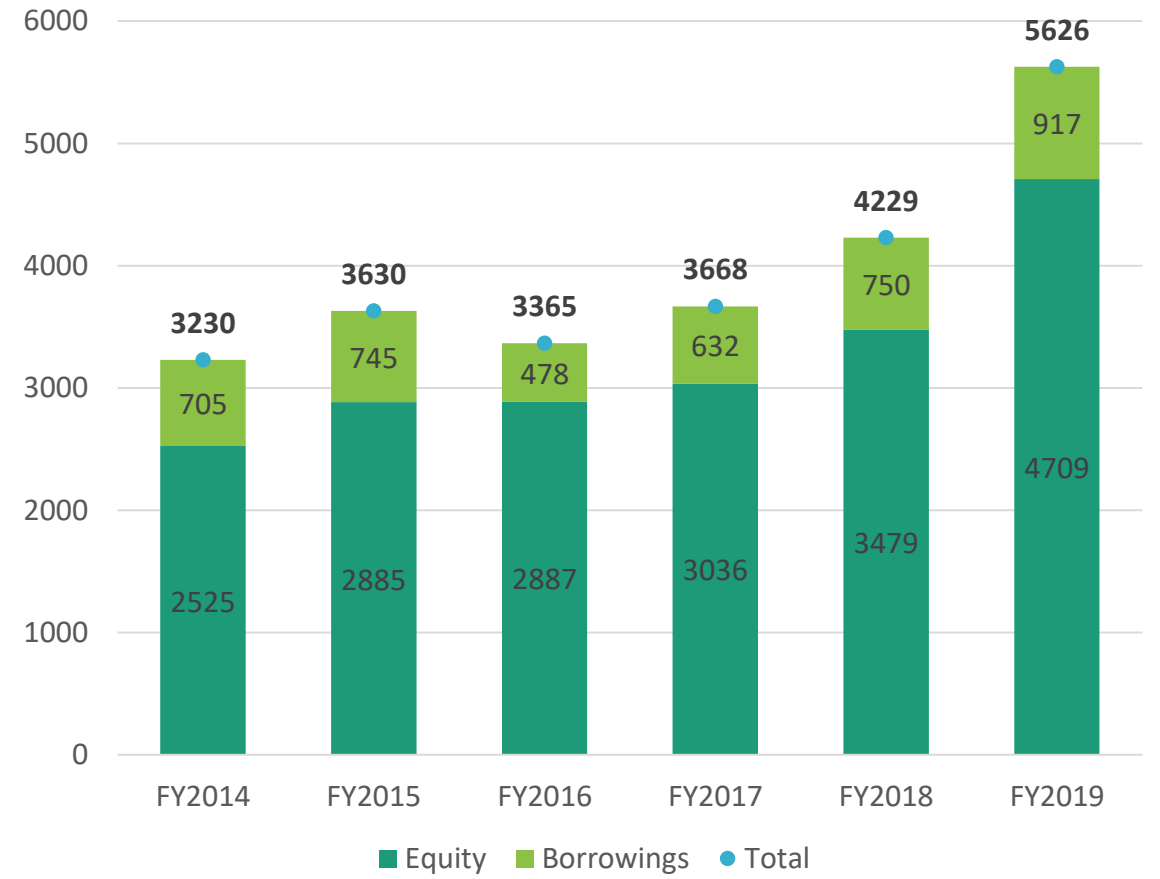
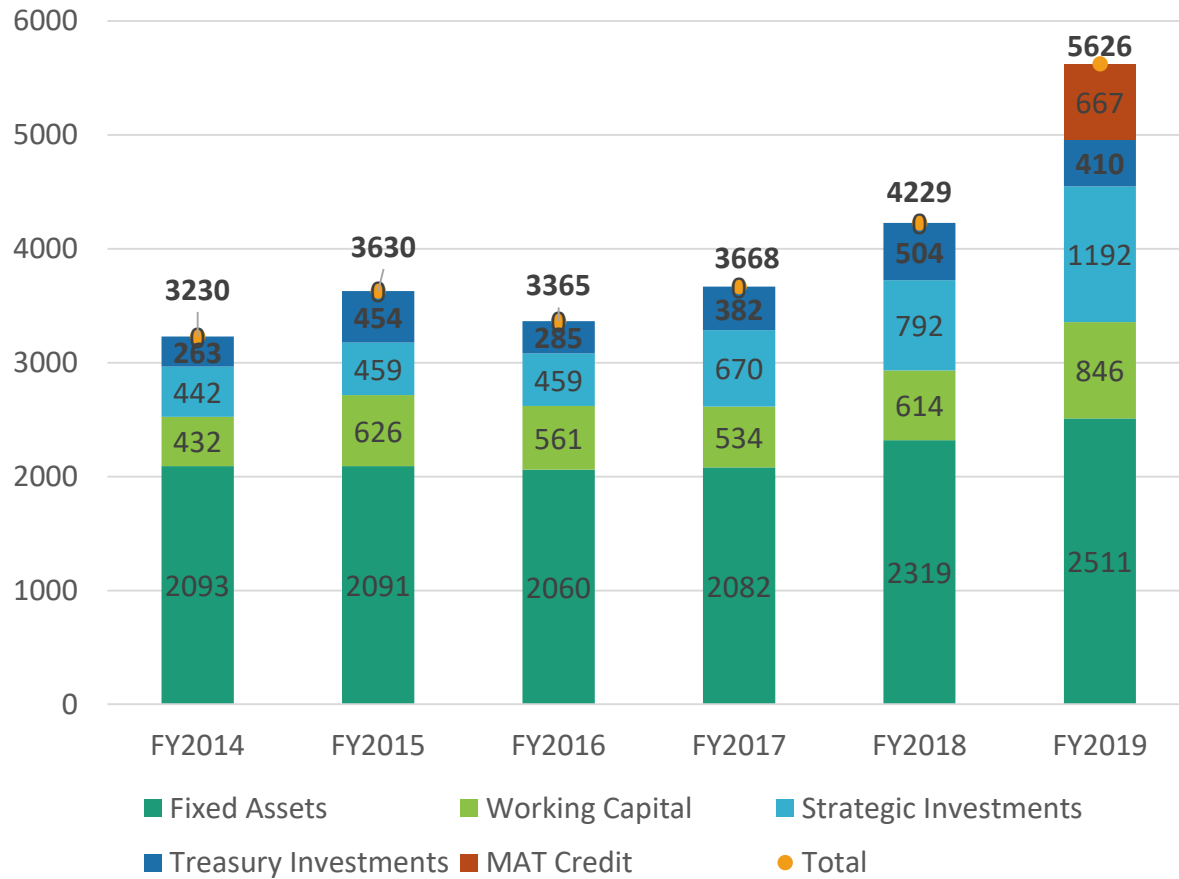
Revenues - Others

Rs. in crores



Balance Sheet

Rs. in crores

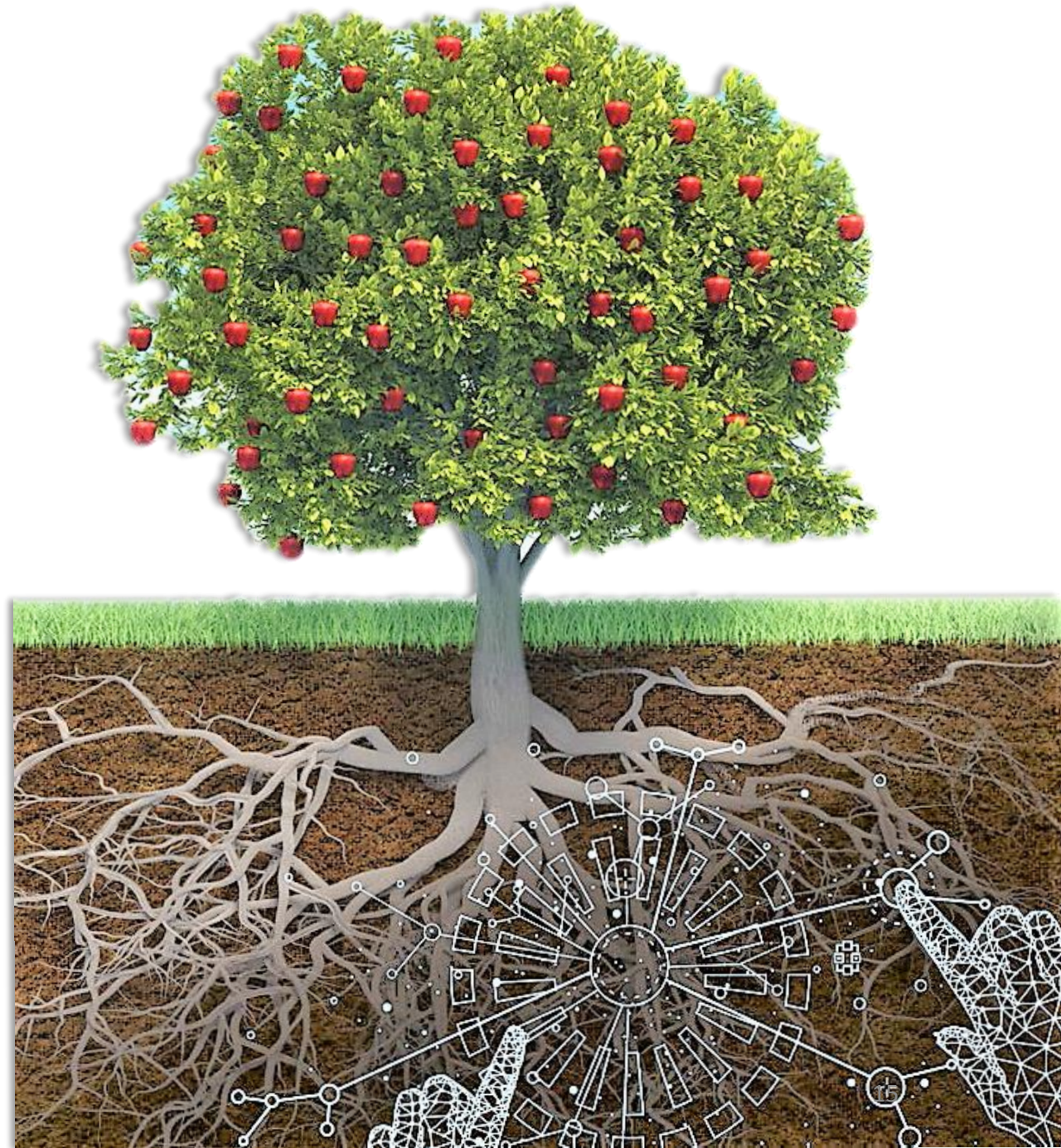


ROCE



$$\text{ROCE} = \text{EBIT} / \text{Shareholder Funds} + \text{Total Debt} - \text{Strategic Investments} - \text{Treasury Investment}$$

Outlook



Global Fluoropolymers Market

- Global demand around 328,000 MT per annum in 2018, growing at around 4.5% per annum
- Growth driven by E-mobility, clean environment, semi-conductor, high purity water processing, light weight roof structures, increased comfort and safety, internet of things, 5G, high temperature automobile wires, etc
- Suppliers include a few Western producers and a handful of Chinese manufacturers
- Western producers are not expanding because
 - Tougher environmental regulations leading to higher capex requirements
 - Higher operating costs due to lesser integration and higher fixed costs
 - Limitation of feed stock capacities
- Chinese producers
 - Cater primarily to domestic markets (less than 30% of Chinese production exported)
 - Even in export markets, mainly focus on commodity grades, with weak global presence

GFL's strategy - fluoropolymers

- Differentiate itself from Chinese manufacturers and move closer to Western producers by
 - Product Development
 - Continuous improvement in product quality and consistency
 - Understanding customer requirements and undertaking product development to fulfill customer needs
 - Expanding range of fluoropolymer grades for different applications, to become a full range supplier
 - Invest in R&D as well as development of new products and grades, including proactive development of new environment friendly polymerization aids
 - Customer Engagement
 - Strong presence in key geographical markets
 - Ensuring regular and timely supplies through local warehouses in US and Europe
 - Proactive engagement with customers providing them with technical and logistical services
 - Engage services of experienced business development and technical professionals in Europe & US to hasten the process of market access and provide customer support

GFL's positioning - fluoropolymers

- As a result of above strategy, GFL is now seen as
 - Having a sustained and long term presence in the fluoropolymer market
 - A reliable supplier of consistent high quality product at competitive prices
 - Capable of engaging in product development to supply wider range of product grades
 - Committed to make investments in additional manufacturing capacity to meet long term needs
- Consequently, GFL is now a major supplier of PTFE products in European, US, Latin American and Asian markets
- In fact, with Western producers not able to meet growing requirement, and Chinese manufacturers not offering the wide range of product grades with consistent quality, GFL is viewed as the only new **reliable, committed, strategic long term partner**
- Additionally, with domestic market growing at 12-15% per annum, GFL, being the only Indian producer, will continue to enjoy a significant share of the domestic market as well
- Consumers who were earlier slow to commence buying from GFL are increasingly evaluating and approving GFL as a supplier. Besides, existing customers are giving GFL an increasing % of their PTFE purchases including PTFE micropowders. This has resulted into a substantial growth in PTFE volumes in the last 2 years.
- In parallel, GFL has already substantially enlarged its basket of fluoropolymers offering by commercializing FKM, PFA, FEP, PVDF, PVDF, PTFE Micropowders and are in the process of commercializing a couple more in the next 2-3 years.

GFL's strategic advantage - fluoropolymers

- One of the most cost-competitive producers of fluoropolymers due to its fully integrated manufacturing operations starting from basic raw materials such as own mined fluorspar, sea water salt, coal and natural gas
- Ability to develop new products and grades in a very short period of time using its R&D and product development capabilities backed with foreign experts and leading Indian institutions
- Entry barriers for new competition:
 - Complexity of business
 - Limited availability of feedstock
 - Extremely stringent and time consuming customer qualification and approval process
- Stringent and time consuming customer qualification process also ensures stickiness of business
- Fluoropolymers is the main business of GFL as compared to most other legacy producers who have a diversified portfolio with fluoropolymers being a smaller part

GFL's growth drivers - fluoropolymers

- GFL has further expanded its monomers (TFE and VDF) and fluoropolymers (PTFE Micro Powders, FKM, FEP, PFA, PVDF) capacity to cater to the growing demand for its products in all geographies
- The timely enhancement of capacities will ensure that GFL is able to cater to the new opportunities which have been created because of the larger product portfolio and growing demand
- Over the next 6 - 8 quarters, GFL expects a ramp up in volumes of all fluoropolymers including those new grades which have been developed and introduced in these markets
- Ramp up in new fluoropolymers is now expected to be much faster due to GFL's established presence and reputation in the Fluoropolymer industry as a reliable, committed, strategic long term partner capable of delivering consistent high quality products at a competitive price
- GFL expects to consolidate its position and emerge as one of the top suppliers of fluoropolymers worldwide

Global Specialty Chemicals Market

- Major applications: Crop protection chemicals and pharmaceutical intermediates
- Organic Fluorine(F) molecules are increasingly becoming ingredients in newer crop protection and pharma molecules due to:
 - High efficacy as F has highest electronegativity or reactivity
 - Lipophilicity property which means F can dissolve readily in fats in plants and insects
 - Low volume dosage (due to high efficacy) thereby causing minimal environmental impact
- Due to healthier crops and more effective medicines with F incorporation, it is expected that
 - around 40% (from 25% presently) of pharma intermediates and
 - around 50% (from 30% presently) of crop protection chemicals will have F molecules in the next few years

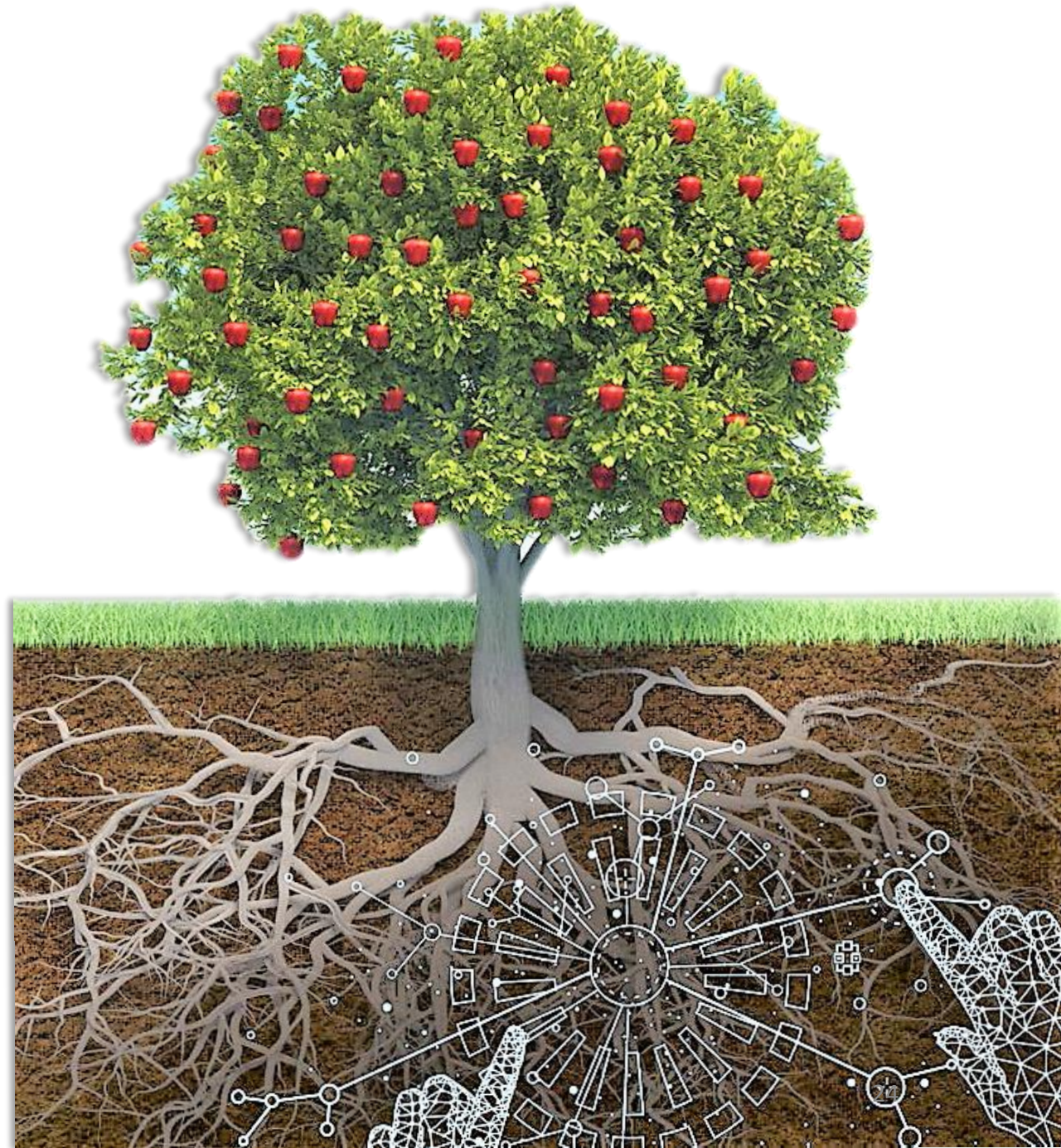
GFL's Strategy – specialty chemicals

- GFL has set up an R&D Centre with 4 analytical laboratories and 2 pilot plants
- GFL's R&D Centre approved by Ministry of Science & Technology, Government of India
- Using the R&D Centre, GFL has developed in house technology for about 11 molecules on lab, kilo lab or pilot scale
- 3 products have already been commercialized
- Plant facilities for additional 4 products expected to be commissioned and commercialized between July and December 2019
- Balance products expected to get commercialized by September 2020
- Bulk of the capex for these facilities already incurred

GFL's strategic advantage – specialty chemicals

- 30 years' experience in safely handling F molecules
- In house availability and adequate capacity of a host of key building blocks for F molecules
- Cost competitive manufacturing due to fully integrated value chain
- Cutting edge R&D centre and analytical labs for new product development

Demerger



Demerger

- GFL presently owns the chemicals business, 57% stake in the Wind Energy Solutions Business, 51% stake in the Cinema Exhibition Business, and some other investments
- It is intended that the chemicals business, including all its assets and liabilities, will be demerged into a separate entity (GFL2), a mirror image of GFL
- What will remain in GFL1 will be the 57% stake in the Wind Energy Solutions Business, 51% stake in the Cinema Exhibition Business and some other investments
- All shareholders of GFL shall be given 1 fully paid up share in GFL2, for every 1 fully paid up share they hold in GFL on the record date
- Both GFL1 and GFL2 will be listed on both the BSE and the NSE

Regulatory status

- SEBI approval – already obtained
- BSE and NSE approvals – already obtained
- Shareholders' approval - already obtained
- Secured and unsecured creditors approval – already obtained
- Other regulatory approvals, like ROC, RD, ITA, under process
- NCLT approval, under process
- Entire process expected to be completed by August 2019

Advantages of the demerger

- Separately and independently listing the Chemicals Business of GFL
- Providing an opportunity for investors who wish to invest only in the Chemicals Business of GFL
- Unlocking shareholder value for GFL shareholders, who presently suffer a “holding company discount” on the Chemicals Business
- Segregation of various businesses with different risk and return profiles
- Better focused growth strategy and capital allocation for each of the businesses
- Economies in business operations, optimal utilization of resources and greater administrative efficiencies