

GACL - NALCO Alkalies & Chemicals Private Limited (Revised)

September 10, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Compulsorily Convertible Debentures [@]	500.00	CARE AA (CE); Stable	Reaffirmed
Long-term / Short-term bank facilities	-	-	Reaffirmed at CARE BBB+; Stable/ CARE A2 and withdrawn
Long-term bank facilities	-	-	Reaffirmed at CARE BBB+; Stable and withdrawn

Details of instruments/facilities in Annexure-1.

@ Backed by credit enhancement in the form of an unconditional, irrevocable and legally enforceable undertakings from promoters, Gujarat Alkalies and Chemicals Limited (GACL; rated: 'CARE AA; Stable/ CARE A1+') and National Aluminium Company Limited (NALCO) in their respective share-holding ratio.

Unsupported rating	CARE BBB+ [Reaffirmed]
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Note: Unsupported rating does not factor in the explicit credit enhancement.

Rationale and key rating drivers for credit enhanced debt

Rating assigned to the compulsorily convertible debentures (CCDs) of GACL-NALCO Alkalies & Chemicals Private Limited (GNAL) factors credit enhancement (CE) in the form of an unconditional, irrevocable, and legally enforceable undertakings extended by GACL and NALCO in their respective shareholding ratio (60% by GACL and 40% by NALCO) in GNAL to buyout the CCDs from investors prior to the expiry of the 59th month from the date of allotment (October 25, 2024) and to ensure timely funding of the designated service account one business day prior to each coupon payment date.

Rationale and key rating drivers of guarantor, GACL and NALCO

CE rating derives strength from GACL's strong position in the domestic chlor-alkali industry, its integrated operations, state-of-the-art technology, wide product portfolio, along with comfortable capital structure. CE rating also derives strength from NALCO's strong market position with integrated operations in bauxite, alumina, aluminium, and power, and its healthy profitability and capital structure. Strong liquidity of GACL and NALCO further underpins the CE rating.

However, CE rating continues to remain constrained by GACL's presence in an inherent cyclical industry, susceptibility of its profitability to adverse movement in market prices of gas and power constituting a significant part of its cost structure, and risks related to adverse movement in foreign exchange rates. CE rating further factors volatile coal prices, which may impact NALCO's operating profitability.

Rationale and key rating drivers of GNAL for standalone/ unsupported rating

Ratings assigned to bank facilities of GNAL continue to derive strength from its strong parentage, being a joint venture (JV) of GACL and NALCO, along with GACL's established presence in chlor-alkali industry and NALCO's presence in the aluminium industry. Ratings also derive strength from secured off-take quantity by NALCO for around half of GNAL's overall production and vesting of marketing rights for its balance production with GACL.

CARE Ratings Limited (CareEdge Ratings) takes cognisance of lower-than-envisaged operating profitability in FY25 (FY refers to April 01 to March 31) due to slower-than-anticipated improvement in electrochemical unit (ECU)² realisations. Continued benefits from its captive coal-based power plant, higher capacity utilisation levels, and expected improvement in ECU realisations are collectively expected to result in improved profitability.

However, above rating strengths are tempered by GNAL's moderate financial risk profile and limited cash accruals for debt servicing. Ratings also continue to remain constrained by GNAL's presence in a competitive and inherently cyclical chlor-alkali industry, which results in volatility in ECU realisations, profitability susceptible to risk related to adverse movement in foreign exchange rates and coal prices. Power cost constitutes a significant part of GNAL's cost structure.

CareEdge Ratings has reaffirmed and simultaneously withdrawn the outstanding ratings of 'CARE BBB+; Stable/ CARE A2' assigned to bank facilities of GNAL with immediate effect. This action has been taken at the request of GNAL and based on the 'No Objection Certificate' received from lenders of the rated facilities.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

²Caustic soda, chlorine, and hydrogen are co-products and hence ECU refers to weighted average realisations of the above co-products

Rating sensitivities (for CE rating): Factors likely to lead to rating actions**Positive factors**

- Sustained improvement in GACL's credit profile.

Negative factors

- Material dilution in equity stake by GACL and/ or NALCO in GNAL.
- Deterioration in credit profile of GACL and/ or NALCO.

Analytical approach:

CE rating: The credit profiles of GACL and NALCO have been analysed based on their consolidated operational and financial performance, which includes financials of their subsidiaries. Entities consolidated with GACL and NALCO are listed under **Annexure-6**.

Standalone/ unsupported rating: Standalone while factoring linkages with respect to financial, technical, and marketing support from its both promoters, GACL and NALCO.

Outlook for CE rating: Stable

Stable outlook reflects CareEdge Ratings' expectation that GACL and NALCO shall continue to hold a dominant position in their respective industry with their integrated operations. Additionally, CareEdge Ratings also expects GACL to improve its consolidated financial risk profile with expected improvement in industry scenario in the medium term with no large debt-funded capex plans in the near term.

Outlook for GNAL: Stable.**Detailed description of key rating drivers of guarantor, GACL and NALCO:****Key strengths****GACL's dominant position in domestic caustic soda industry with integrated operations**

On a consolidated basis, GACL is the third-largest player of caustic soda in the country in terms of capacity, with an installed capacity (for caustic soda lye and caustic soda flakes combined) of ~3,000 metric tonne per day (MTPD) as on March 31, 2025, at its plants in Vadodara and Dahej, Gujarat. GACL has gradually built a strong position in the industry through continuous expansion of production capacities to cater the growing demand for its products in the last four decades. Over the years, GACL has also introduced new chlorine derivatives (downstream products) for higher captive utilisation of chlorine, an essential by-product generated in manufacturing caustic soda. GACL has over 36 products in its basket, which has enabled it to leverage upon its large production capacity and protect its profitability from the effects of volatility in chlorine prices, to some extent. The captive power plant (CPP) for meeting part of its energy requirements and investment in windmills and solar power plants to offset higher cost of power purchased from the market aids its cost structure. GACL's operations are well-integrated, with the by-product of one process used as a raw material for another, thus enabling it to optimally utilise its large production capacity. GACL's products find application in processes across a diverse range of industries, including textile, pulp and paper, alumina, soaps and detergents, rayon, fertilisers, petroleum, fertilisers, pharmaceuticals, agrochemicals, water treatment, ink, and paint among others. This allows GACL to cater a diversified customer base, thus helping it counter the slowdown in industry or a group of industries to certain extent.

GACL's consolidated total operating income (TOI) grew by ~11% in FY25 to ₹4,849 crore (FY24: ₹4,379 crore) with improvement in profit before interest, lease rentals, depreciation and taxation (PBILDT) margin to 9.31% in FY25 (FY24: 3.62%) backed by growth in sales volume and improvement in ECU realisation. GACL's capital structure remained comfortable, with consolidated overall gearing of 0.30x as on March 31, 2025.

Integrated operations of NALCO with healthy profitability and comfortable capital structure

NALCO's operations are well-integrated marked by captive high-quality bauxite mines, coal-based captive power plants, arrangement for fuel, and captive coal mines. As part of backward integration, NALCO and its JV partner, GACL, established GNAL for setting up of a caustic soda plant. Integrated operations provide significant cost advantages to NALCO enabling it to produce alumina at low-cost. Additionally, proximity of NALCO's facilities to raw material sources reduces freight costs. The low production cost supports healthy profitability of NALCO. NALCO's PBILDT margin increased substantially to 45% in FY25 (FY24: 22%) largely due to higher alumina and aluminium realisations, operational efficiencies and increase in volumes. NALCO's capital structure remained comfortable marked by overall gearing of 0.01x as on March 31, 2025, and is expected to remain comfortable in the medium term in the absence of major debt-funded capex plan and healthy profitability.

Liquidity: Strong

GACL's liquidity is strong marked by presence of cash and cash equivalents of ₹138 crore as on March 31, 2025. With an overall gearing of 0.09x as on March 31, 2025, it has sufficient gearing headroom to avail any additional debt, if required. Although in last few years, GACL has largely funded its capex through its healthy internal cash accruals. GACL has capex plans of ~₹650 crore for the next three years ended FY28 apart from routine capex of ₹125 crore per annum primarily towards expansion of its caustic soda flakes facility, chlorotoluene downstream, sodium chlorite and boiler capacity. Around 43% of this capex is expected to be funded through debt from Gujarat State Financials Services (GSFS), while balance is expected to be funded through internal accruals. GACL's entirely unutilised fund-based limits are more than adequate to meet any incremental working capital requirements.

NALCO's liquidity is very strong marked by significant cash and cash equivalents of ₹5,427 crore as on March 31, 2025. NALCO does not have any long-term debt obligations, and its fund-based limits largely remain unutilised. Moreover, majority of the capex requirement of NALCO is expected to be funded through available liquidity and internal accruals.

Key weaknesses

Susceptibility of GACL's profitability to adverse movement in gas and power prices and threat of cheaper import

GACL's profitability is susceptible to adverse movements in market prices of gas and power since electrolysis is an energy intensive process and power cost constitutes a significant part of its cost structure. Power cost constituted ~30-34% of GACL's TOI since the last two years ended FY25. Besides, Indian chlor-alkali industry faces competition from cheap imports from lower power-cost countries. Domestic manufacturers have sought a level-playing field from the government by way of an increase in customs duty on caustic soda imports, a GST structure for electricity taxes, and the imposition of export duty on salt, to effectively compete against imports. However, caustic soda imports notably improved in FY25 with year-over-year (y-o-y) reduction of ~25% against FY24 with additional capacities and rise in freight rates.

Environment, social, and governance (ESG) risks of GACL and NALCO:

Risk factors	Compliance and action by the company
Environmental	<p>The treated wastewater after conforming to Gujarat Pollution Control Board (GPCB) norms is discharged to channel of Vadodara Enviro Channel Limited (VECL) which is finally discharged in bay of Khambhat. GACL's air emission is maintained within GPCB norms.</p> <p>The waste is disposed of at the Treatment, Storage and Disposal facility (TSDF) or Common Hazardous Waste Incineration Facility (CHWIF) depending on whether the same is hazardous or otherwise.</p> <p>GACL ensures energy audit at regular intervals and has installed capacities of 36.6-MW solar power plant and 171.45 MW wind power plants.</p> <p>NALCO's operational units have achieved certification in line with ISO 14001:2015 Environment Management System Standards. State-of-the-art technology is used by NALCO to minimise water pollution and attain zero discharge to aquatic bodies by recycling waste and sewage water. NALCO operates ~198 MW of wind power plants and 850-KWp solar installations.</p>
Social	<p>Required protocols for the employee's safety and well-being are being followed by both the companies. For instance: providing personal protective equipment and training to workers on safety for working at heights and in other hazardous environments.</p>
Governance	<p>Over 50% of GACL's board comprises independent directors while NALCO does not have required composition of independent directors on its board.</p> <p>GACL and NALCO have a dedicated investor grievance redressal mechanism with healthy disclosures. Both entities ensure separate meetings for independent and non-independent directors as required and statutory committees in compliance with the regulations.</p>

Detailed description of key rating drivers of GNAL:

Key strengths

Strong parentage of GACL and NALCO and operational linkages with them

GNAL is promoted by GACL, an established player in the domestic chlor-alkali industry with integrated operations and NALCO, one of the largest integrated bauxite-alumina-aluminium producers in the country. GACL is promoted by the Government of Gujarat (GoG) through its industrial investment arm, Gujarat Industrial Investment Corporation Limited, (GIIC). NALCO is a Navratna central public sector enterprise (CPSE) under Ministry of Mines, Government of India (GoI).

For GACL, GNAL's caustic soda plant is like a capacity expansion. Majority chlorine requirement for its chloromethane plant is met from GNAL along with hydrogen, hydro-chloric acid, power, and other utilities such as power, steam, and cooling water, among others, as required. Around 50-60% of the chlorine generated by GNAL is sold to GACL for its adjacent chloromethane plant as per the agreement. For NALCO, it is akin to backward integration, since caustic soda is used in manufacturing alumina.

Secured off-take for around half of its overall production capacity by NALCO; albeit marketing risk associated with the balance production

Of the total installed capacity of 800 MTPD for GNAL, NALCO (Odisha plant) has signed an agreement for an off-take of up to 450 MTPD (~150,000 MTPA). This agreement is for a tenor of 26 years from 91st day of commissioning of the project and covers ~56% of GNAL's production capacity. The balance quantity is expected to be sold in the open market using the distribution network of GACL. GNAL's sales to NALCO stood at ~₹367 crore in FY25 (FY24: ₹296 crore).

As per the provisions of Share Holder Agreement, GACL would purchase caustic soda, chlorine, hydrochloric acid and hydrogen among other utilities in quantities as may be required for its own consumption. The balance quantities of products manufactured by GNAL would be sold by GACL as the sole commission selling agent posing saleability risk in case of an oversupplied situation. However, GACL's established position in the chlor-alkali industry is expected to mitigate this risk to a certain extent.

Strategic location of the project site with proximity to raw material source, sea-port, and rail/ road connectivity

GNAL's project being at Dahej in the industrial belt of Gujarat has proximity to key raw material for producing caustic soda, industrial grade salt, thus reducing transportation cost for raw materials. Project site has strategic advantages including being near the seaport which facilitates caustic soda transportation to NALCO's Odisha plant and railway siding for transportation to other locations as well. Proximity to seaport helps to reduce the transportation cost of coal for GNAL's captive power plant. GACL's caustic soda plant at Dahej which is adjacent to GNAL's project location has an established infrastructure (GACL has its own railway siding and a siding from Indian Railway for handling transportation) which is utilised by GNAL for transportation of its caustic soda.

Competitive advantage of coal-based captive power plant; albeit susceptible to adverse movement in coal prices

Caustic soda is produced through electrolysis of brine solution (a solution prepared from industrial salt) which is an energy intensive process. For the chlor-alkali industry, power cost constitutes a major portion (~40-50%) of its total cost. Thus, any major change in the power cost impacts the profitability of players in the industry. In this backdrop, presence of captive coal-based power plant generally provides greater control over power cost which translates to healthy profitability. GNAL has set up 130 MW (2 units of 65 MW) of coal-based captive power plant (CPP), which results in comparatively lower cost compared to high power cost from the state grid in the long run. Excess power of ~20 MW is expected to be sold to GACL. However, any challenges in availability of coal and significantly high coal prices could adversely impact its power cost.

Liquidity: Adequate

GNAL issued CCDs of ₹500 crore in October 2024 largely for repayment/ partial prepayment of external commercial borrowing (ECB) of ₹390 crore and balance for working capital requirements to align capital structure and fill liquidity gap. Further, GNAL availed a long-term loan of ₹355 crore from Gujarat State Financial Services (GSFS) in June 2025 for full repayment of its ECB. Repayment of this loan is expected to commence from September 2026.

In absence of adequate cash accruals, debt servicing is expected to be supported by available liquidity and operational cash flows (including GST receivables of over ~₹100 crore as on March 31, 2025). GNAL had unutilised limits to the extent of ₹54 crore as on April 30, 2025, and funded debt service reserve account (DSRA) of ~₹30 crore as on latest date. GNAL has no major capex plans in the near-to-medium term. GNAL has an option to resort to GSFS for availing loan for debt servicing and working capital requirements. However, need-based support from promoters, GACL and NALCO and timely arrangement of funds in absence of adequate cash accruals for debt servicing shall remain a key rating monitorable.

Key weaknesses**Moderate financial risk profile backed by continuous weak financial performance**

GNAL commissioned its operations in March 2022, along with its one unit of coal-based captive power plant (CPP) of 65 MW and the second unit of CPP (65 MW) commissioned operations in April 2023. Due to delay in ramp up of production amidst subdued caustic soda prices and negative chlorine realisations, GNAL reported losses leading to significant erosion of its net worth base. Accordingly, with a view to align its capital structure and fill liquidity gap, GNAL issued CCDs of ₹500 crore in October 2024. CCDs have a tenure of 60 months commencing from deemed date of allotment with mandatory buy out by promoters at the end of 59th month.

GNAL reported TOI of ₹1,084 crore in FY25 (FY24: ₹776 crore) with healthy capacity utilisation levels while its operating profitability improved to 10.00% in FY25 (FY24: 5.67%), although it remained lower-than-envisaged because of continued negative chlorine realisations. Operating profitability only improved from H2FY25 and this is expected to improve further going forward with growth in scale of operations and improvement in ECU realisations.

In Q1FY26, GNAL had a plant shutdown of 22 days leading to substantial moderation in its scale of operations and operating profitability due to lower absorption of fixed costs. As indicated by management, GNAL is expected to offset this impact in the balance part of the year. With expected increase in capacity utilisation and improvement in ECU realisations, CareEdge Ratings expects GNAL to generate revenue of ~₹1,300-1,350 crore with significant improvement in PBILDT margin.

Presence in an inherently cyclical caustic soda industry and risk of adverse movement in foreign exchange rates

The caustic soda industry is inherently cyclical. Post COVID-19 pandemic, the sector witnessed a revival with an improvement in demand from end-user industries and better availability of raw materials, leading to a rebound in the ECU realisations to ~₹55,000/MT. Various players in the industry started building or expanding their caustic soda manufacturing capacities with an anticipation that the robust demand. Thereafter, the caustic prices reduced drastically by end of Q1FY24 owing to oversupply in the global market and subdued demand in downstream chlorine industries, which led to significant moderation in ECU realisations, impacting the profitability of the caustic soda players. Caustic prices improved by ~15% to US \$495/ MT in FY25 (FY24: US \$432/ MT). However, chlorine realisations continued to remain negative at ~₹5,000-6,000/ MT in FY25 due to oversupply and subdued demand from downstream industries leading to lower ECU realisations. CareEdge Ratings expects gradual improvement in the ECU realisations in the near term with expected improvement in demand from end-user industries. GNAL is also exposed to the risk of adverse movement in foreign exchange rates as exports stood at ₹290 crore in FY25 (FY24: 15%), ~27% of its TOI.

Environment, social, and governance (ESG) risks (GNAL): Not applicable.

Applicable criteria

[Definition of Default](#)

[Factoring Linkages Parent Sub JV Group](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Credit Enhanced Debt](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Withdrawal Policy](#)

[Short Term Instruments](#)

[Consolidation](#)

Adequacy of credit enhancement structure

Adequate as CCDs are backed by an unconditional, irrevocable and legally enforceable undertakings from GACL and NALCO to buy-out CCDs on exercise of 'put' option by investors and ensure to fund designated service account one business day prior relevant coupon payment dates.

About the company and industry

GACL (CE provider)

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Commodities	Chemicals	Chemicals and petrochemicals	Commodity chemicals

GACL was promoted in 1973 by the Government of Gujarat (GoG) through its industrial investment arm, Gujarat Industrial Investment Corporation Ltd. (GIIC). As on June 30, 2025, GoG as the promoter, through its undertakings, held 46.28% equity in the company, the largest being through Gujarat State Investments Ltd (GSIL) with 20.87% holding. GACL is the third-largest player in the domestic caustic chlorine industry with integrated operations. It produces a wide range of products including caustic soda, liquid and gaseous chlorine, hydrogen peroxide, phosphoric acid and aluminium chloride, among others, which find application in a wide range of industries, including textile, pulp and paper, aluminium, detergents, soaps, rayon, plastics, pharmaceuticals, water treatment, and agricultural chemicals among others.

Brief Financials (₹ crore)	FY24 (A)	FY25 (A)	Q1FY26 (UA)	FY24 (UA)	FY25 (UA)
	Reported consolidated financials			Basis the full consolidation of GNAL with GACL	
Total operating income	3,785	4,055	1,105	4,379	4,849
PBILDT	115	343	117	159	451
PAT	(237)	(65)	(14)	(307)	(119)

Brief Financials (₹ crore)	FY24 (A)	FY25 (A)	Q1FY26 (UA)	FY24 (UA)	FY25 (UA)
	Reported consolidated financials			Basis the full consolidation of GNAL with GACL	
Overall gearing (times)	0.09	0.10	NA	0.38	0.30
Interest coverage (times)	2.57	6.78	8.53	0.86	2.32

A: Audited; UA: Unaudited; NA: Not Available

Financials classified per CareEdge Ratings' standards, Note: these are latest available financial results

NALCO (CE provider)

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Commodities	Metals and mining	Non-ferrous metals	Aluminium

Established in 1981, NALCO is a schedule 'A' Navratna Central Public Sector Enterprise (CPSE) under the Ministry of Mines, GoI. NALCO has an integrated and diversified operations in mining, metal, and power. It has an alumina refinery with an installed capacity of 2.275 million tonne per annum (MTPA) and a 1200-megawatt (MW) coal-based power plant in Odisha.

Brief Financials - Consolidated (₹ crore)	FY24 (A)	FY25 (Ab)	Q1FY26 (UA)
Total operating income	13,151	16,788	3,807
PBILDT	2,896	7,565	1,478
PAT	1,988	5,268	1,049
Overall gearing (times)	0.01	0.01	NA
Interest coverage (times)	222.79	128.28	183.80

A: Audited; Ab: Abridged; UA: Unaudited; NA: Not available; Note: these are latest available financial results

About the company and industry (GNAL)

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Commodities	Chemicals	Chemicals and	Commodity chemicals

Incorporated in December 2015, GNAL is a 60:40 JV company of GACL and NALCO. GNAL has set up 800 MTPD caustic soda plant (CSP) and a 130-Megawatt (65*2) (MW) coal-based captive power plant (CPP). GNAL announced its commercial operations date (COD) for the project on March 30, 2022, with the commissioning of first unit of CSP. Other unit of CSP and Unit-1 of CPP were commissioned in May 2022, whereas Unit-2 of CPP got commissioned in April 2023. The total project cost of ₹2,300 crore was funded by equity infusion of ₹690 crore and bank loans of ₹1,610 crore.

Brief Financials (₹ crore)	FY24 (A)	FY25 (A)	Q1FY26 (UA)
Total operating income	776	1,084	190
PBILDT	44	108	13
PAT	(174)	(135)	(36)
Overall gearing (times)	7.93	2.22	NA
Interest coverage (times)	0.31	0.75	0.51

A: Audited; UA: Unaudited; NA: Not available; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable.

Any other information: Not applicable.

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Debentures-Compulsorily Convertible Debentures	INE03AC08014	October 25, 2024	91 days T-bill + 2.03%	October 24, 2029	500.00	CARE AA (CE); Stable
Un Supported Rating	-	-	-	-	0.00	CARE BBB+
Fund-based - LT-Cash Credit	-	-	-	-	0.00	Withdrawn
Fund-based - LT-Term Loan	-	-	-	January 31, 2032	0.00	Withdrawn
Non-fund-based - LT/ST-BG/LC	-	-	-	-	0.00	Withdrawn

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Debentures-Compulsorily Convertible Debentures	LT	500.00	CARE AA (CE); Stable	-	1)CARE AA (CE); Stable (05-Nov-24) 2)Provisional CARE AA (CE); Stable (20-Jun-24)	-	-
2	Un Supported Rating	LT	0.00	CARE BBB+	-	1)CARE BBB+ (05-Nov-24) 2)CARE BBB+ (20-Jun-24)	-	-
3	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE BBB+; Stable (05-Nov-24) 2)CARE BBB+; Stable (20-Jun-24)	1)CARE BBB+; Stable (20-Sep-23) 2)CARE A-; Negative (07-Jul-23)	1)CARE A; Stable (28-Jun-22)
4	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE BBB+; Stable (05-Nov-24) 2)CARE BBB+; Stable (20-Jun-24)	1)CARE BBB+; Stable (20-Sep-23) 2)CARE A-; Negative (07-Jul-23)	1)CARE A; Stable (28-Jun-22)
5	Non-fund-based - LT/ ST-BG/LC	LT/ST	-	-	-	1)CARE BBB+; Stable / CARE A2 (05-Nov-24) 2)CARE BBB+; Stable / CARE A2 (20-Jun-24)	1)CARE BBB+; Stable / CARE A2 (20-Sep-23) 2)CARE A-; Negative / CARE A2+	1)CARE A; Stable / CARE A1 (28-Jun-22)

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
							(07-Jul-23)	

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities

Name of the Instrument – Compulsorily Convertible Debentures	Detailed Explanation
Non-financial covenants	
	The issuer shall fund service account equal to requisite amount of coupon payment due, one business day prior to each coupon date. In the event of failure by borrower to fund the service account, the promoter (guarantor) shall be liable unconditionally and irrevocably to get service account funded with requisite amount one business day prior relevant coupon date.
	In the event of non-payment of the due coupon amount, such default continues for 30 days from such coupon payment date, the investors may exercise accelerated put option on the promoters. Accelerated put option shall be applicable on the entire outstanding principal amount of debentures and other dues to the investors.
	If the promoters, by itself or by way of an identified investor have not acquired all debentures from investors prior to the expiry of 59 months from the date of allotment of debentures, promoters will be mandatorily required to buy the outstanding debentures in their respective shareholding ratio.
	Spread shall be increased by 0.25% spread in case of rating of CCDs falls to AA- and by 0.50% in case of rating of CCDs falls to A+

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Compulsorily Convertible Debentures	Complex
2	Fund-based - LT-Cash Credit	Simple
3	Fund-based - LT-Term Loan	Simple
4	Non-fund-based - LT/ ST-BG/LC	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
	GACL		
1	GACL-NALCO Alkalies & Chemicals Pvt Ltd	Full	JV
	NALCO		
1	Utkarsha Aluminium Dhatu Nigam Limited	Moderate	Associate
2	Khanij Bidesh India Limited		
3	Angul Aluminium Park Private Limited		
4	GACL-NALCO Alkalies & Chemicals Private Limited		

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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