



# EQUITY STRATEGISTS™

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Vol.9.50

13<sup>th</sup> Dec 2007

## STOCKWATCH

**LOW RISK / HIGH RETURN**

**HOLDING PERIOD – ONE to THREE MONTHS**

### GUJARAT ALKALI

**Present Price – Rs.214.75**

**Projected Price – Rs.275**

GUJ.ALKALI [B530001] 207.80, 214.75, 204.00, 214.75, 165675 3.42%  
Price



**Gujarat Alkalies & Chemicals (GACL) is the largest manufacturer of chlor-alkali in India and is likely to derive the advantages of economies of scale. The company is the lowest cost producer of Caustic Soda in the country due to its captive power plant. GACL has higher capacity utilization of 100% for Caustic Soda plant compared to 90% for the chlor-alkali industry. The company derives around 65% of its revenues from chlor-alkali business and 35% revenues from the value added products. The major customers of GACL include Hindustan Lever, Nirma and Godrej Consumer Products, Reliance Industries etc. The company has location advantages of proximity to the markets. GACL has established a strong network of dealers to distribute its products in the domestic market. On the technical front, the stock is on the verge of breaking out of a major pattern which is highly bullish by nature. Buy for medium term.**

**Note: In case of any problem in receiving NEWSLETTER, kindly contact Mr Devesh Chauhan at 9350171231**

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**EQUITY STRATEGISTS is published by**  
**D Prasad & Jatiinder Sharrma**  
**(9810018028) (9899252034)**  
**(9312211052)**

**Available through Subscription Only**  
**A – 1, Sector - 53**  
**Noida – 201 301**  
**[contactus@equitystrategists.com](mailto:contactus@equitystrategists.com)**