

January 28, 2021

पौष – शुक्लपक्ष- पूर्णिमा
विक्रम सम्वत् २०७७

**National Stock Exchange of
India Limited**
“Exchange Plaza”
Bandra – Kurla Complex,
Bandra (E), Mumbai – 400 051
NSE Code: GHCL

BSE Limited
Corporate Relationship Department,
1st Floor, New Trading Ring, Rotunda Building,
P.J. Towers,
Dalal Street, Fort, Mumbai – 400 001
BSE Code: 500171

Dear Sir/Madam,

Subject: Investors' Presentation – Q3FY21 Business Update

As informed on January 25, 2021 that a conference call to discuss the Q3FY21 results of the company with Mr. R S Jalan, Managing Director and Mr. Raman Chopra, CFO & Executive Director (Finance) is scheduled to be held on **Thursday, January 28, 2021 at 5.00 PM (IST)**. In this regard, copy of the financials and other business details for Q3FY21 (i.e. Business Update), which is going to be circulated for the scheduled investors' conference, is enclosed herewith for your reference & record.

You are requested to kindly acknowledge the receipt and please also take suitable action for dissemination of this information through your website at the earliest. In case you need any other information, please let us inform.

Thanking you

Yours truly

For GHCL Limited



Bhuwneswar Mishra
Sr. GM-Sustainability & Company Secretary



DRIVING EXCELLENCE

GHCL LIMITED

Q3 & 9M FY21 Investor Update

January 2021



The choice of a healthy family!



Safe Harbour

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Quarterly Update



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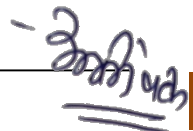
“Resilient and agile business strategy and strong focus on internal business conduct can sail through toughest testing times and creates a moat against external factors”.

Commenting on the Q3 & 9M FY21 performance, Mr. R. S. Jalan, MD said:

“The pandemic has entered a decisive stage, with several vaccines getting approval worldwide and here in India too. The flow of business is getting restored and the broader economy is making appreciable strides towards normalcy.

We have demonstrated encouraging performance during the quarter under review with 26% profitability (PBT) growth on Y-o-Y basis and 41% profitability (PBT) growth Q-o-Q basis. Strong performance is a result of concerted efforts undertaken by the Company and healthy demand scenario for our products in both the business segments.

We are focused, agile and committed for sustainable inclusive growth of all our 5 stakeholders and creating the value for them ”



Business Update on COVID-19 Pandemic



Soda Ash



Capacity utilisation back to pre-Covid level



Q3 FY21



9M FY21



Demand pick up in key end user industries resulted in higher utilisation levels



Detergent industry continues to be least impacted by the pandemic.
Flat glass has almost recovered to pre-CoVID levels.

Textile



Favourable dynamics in Textile business



Both spinning and home textiles have shown resilient performance driven by positive demand landscape.



Better pricing trends helping both the sub segments of Textiles. Focus on moving to value-added side of spinning to limit commodity price pressures



Reported EBITDA margin of 20.1%, which is our highest ever margins in this business.

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Performance Highlights – Q3 FY21



Revenue	EBITDA	PBT	PAT	Cash Profit
₹ 809 crore	₹ 204 crore	₹ 150 crore	₹ 111 crore	₹ 145 crore

Q-o-Q

4%	26%	41%	41%	31%
----	-----	-----	-----	-----

Y-o-Y

3%*	15%	26%	9%	9%
-----	-----	-----	----	----

* Exceptional item of Rs. 9.57 Cr. reported during Q3 FY 20 adjusted in revenue for like to like comparison.

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Performance Highlights – 9M FY21



Y-o-Y

Revenues

₹ 2,028 crore



20%*

EBITDA

₹ 451 crore



25%

PBT

₹ 279 crore



34%

PAT

₹ 206 crore



37%

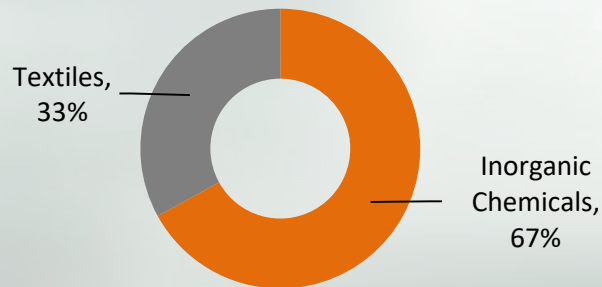
Cash Profit

₹ 306 crore

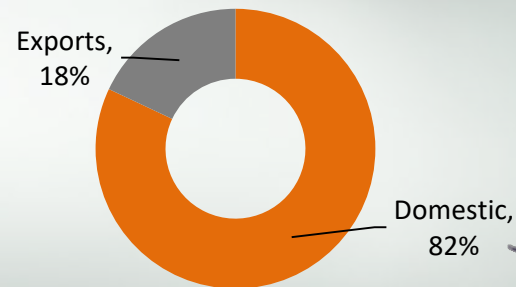


28%

Segment-wise Revenue break-up**



Domestic : Exports Revenue break-up**



* Exceptional item of Rs. 9.57 Cr. reported during Q3 FY 20 adjusted in revenue for like to like comparison.

**Based on FY20 Financials.

Profit & Loss Statement



(Rs. In Crore)

Particulars	Q3 FY21	Q3 FY20	Y-o-Y	Q2 FY21	Q-o-Q	9M FY21	9M FY20	Y-o-Y
Revenue	809	834*	(3)%	779	4%	2,028	2,539*	(20)%
Operating Expenses	605	657	(8)%	617	(2)%	1,577	1,937	(19)%
EBITDA	204	177	15%	162	26%	451	602	(25)%
EBITDA Margin	25.3%	21.2%	4.1%	20.8%	4.5%	22.2%	23.7%	(1.5)%
Depreciation	34	32	6%	33	5%	100	96	5%
EBIT	170	145	17%	129	31%	351	506	(31)%
Interest	20	26	(22)%	23	(15)%	72	85	(16)%
Exceptional Item	--	--*	--	-	-	--	--*	--
Profit Before Tax	150	119	26%	106	41%	279	421	(34)%
Tax	39	18	121%	28	42%	73	95	(23)%
Profit After Tax	111	101	9%	78	41%	206	327	(37)%

* Exceptional item of Rs. 9.57 Cr. reported during Q3 FY 20 adjusted in revenue for like to like comparison.

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Q3 FY21 Segment Highlights – Inorganic Chemicals



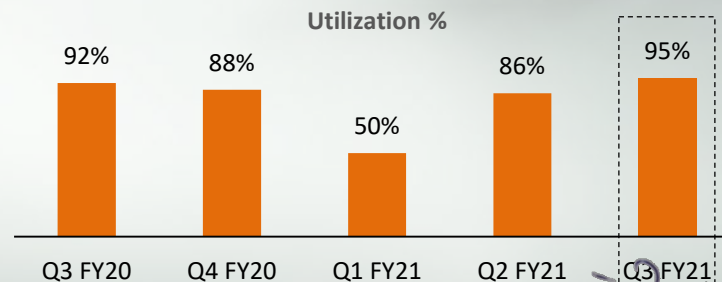
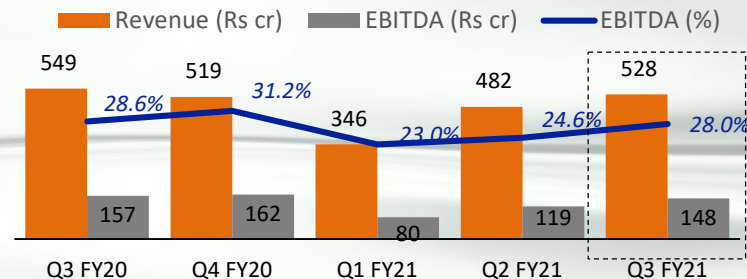
(Rs. In Crore)

Particulars	Q3 FY21	Q3 FY20	Y-o-Y	Q2 FY21	Q-o-Q
Revenue	528	549	(4)%	482	10%
EBITDA	148	157	(6)%	119	25%
EBITDA %	28.0%	28.6%	(0.6)%	24.6%	3.4%

Performance Highlights

- Revenue down by 4% Y-o-Y and up 10% Q-o-Q. Sequential performance was led by higher volumes in soda ash. Y-o-Y performance appears moderated due to lower realizations by 7%.
- EBITDA was lower by 6% Y-o-Y due to lower realizations, while it was higher by 25% Q-o-Q. Better Efficiencies and higher volumes on Q-o-Q basis resulted in steady EBITDA performance.
- EBITDA margins came in at 28.0%, lower by 60 bps Y-o-Y and higher by 3.4% Q-o-Q. Margins were supported by better operating efficiencies on the cost front.

Inorganic Chemicals – Quarterly Trend



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Q3 FY21 Segment Highlights – Textiles



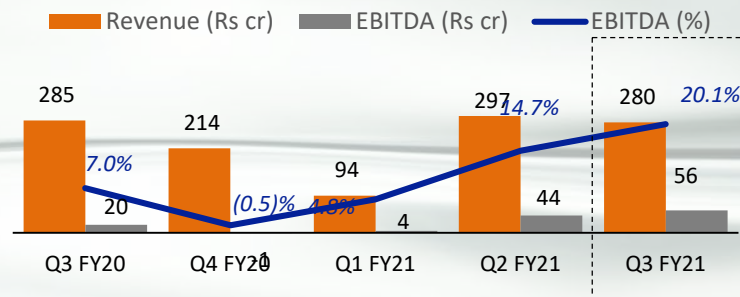
(Rs. In Crore)

Particulars	Q3 FY21	Q3 FY20	Y-o-Y	Q2 FY21	Q-o-Q
Revenue	280	285*	(2)%	297	(6)%
EBITDA	56	20	183%	44	30%
EBITDA %	20.1%	7.0%	13.1%	14.7%	5.4%

Performance Highlights

- Revenues down by 2% Y-o-Y and 6% Q-o-Q due to variation in shipments on quarter to quarter basis.
- Focus on value-added segment and cost optimization has resulted in better EBITDA performance, higher by 13% Y-o-Y and 5% Q-o-Q
 - EBITDA margin improved to record high 20.1%.

Textile – Quarterly Trend



* Exceptional item of Rs. 9.57 Cr. reported during Q3 FY 20 adjusted in revenue for like to like comparison.

Efficient Capital Allocation (9M FY21) & Key Ratios



Key Ratios

Rs. 821 cr.
Gross Debt

Rs. 783 cr.
Net Debt

0.33x
Net Debt/Equity

14%*
ROCE*

12%*
ROE*

* ROCE and ROE are calculated based on trailing 12 months, including the severe impact of pandemic in Q1 FY21.

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Demerger of the Textiles business of GHCL



Fine prints of demerger

- The Board approved a scheme of demerger where **Textiles business of GHCL will be demerged into a separate Company**
- Shareholders of GHCL will be allotted shares in the new company in the **swap ratio of 1:1, one share of Rs. 2 each for every share of Rs. 10 held in the GHCL**
- The resulting company will takeover **all the assets and liabilities of the Textile business and will be listed on NSE and BSE.**
- **No change in the shareholding pattern** of the Demerged Company.

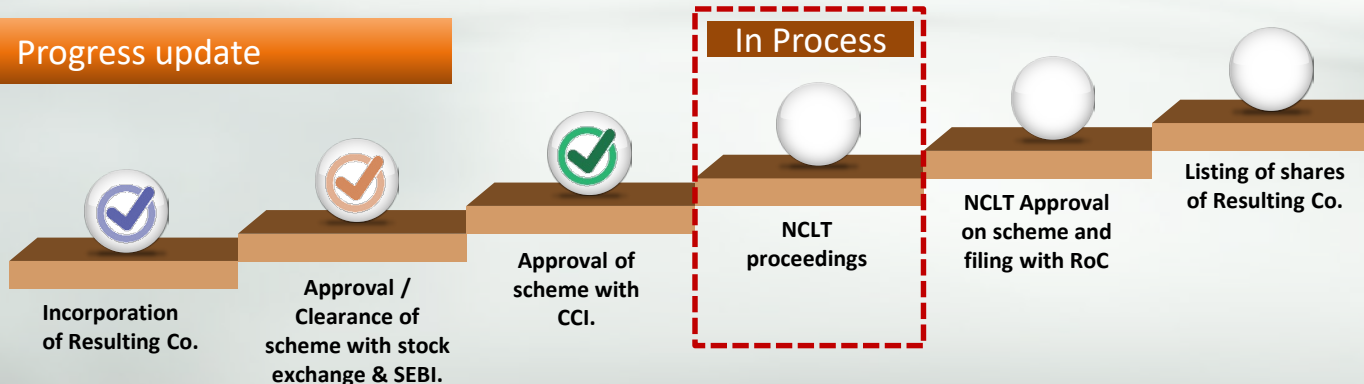


Focused growth



Concentrated approach

Progress update



Business synergies

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Company Overview



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GHCL – An Introduction



Best-in-class

- Operations management
- CAPEX planning and execution
- Financial management



- Focused management approach
- Strategy led by professional management team



Targeting

- To grow profits at a CAGR 20% on a long term horizon
- To inculcate value systems that defines our culture
- To drive sustainable inclusive growth involving all stakeholders

2nd Largest manufacturer of Soda Ash in India,
with 25% market share

11.00 Lac MT Soda Ash Capacity	45 MN MT Textile Processing Capacity	1.85 Lac Spindle Capacity
90%+ Capacity Utilisation Soda Ash	17% 5-Year PAT CAGR Rs.407 Cr from Rs. 183 Cr	17%* Return on Capital Employed (ROCE)

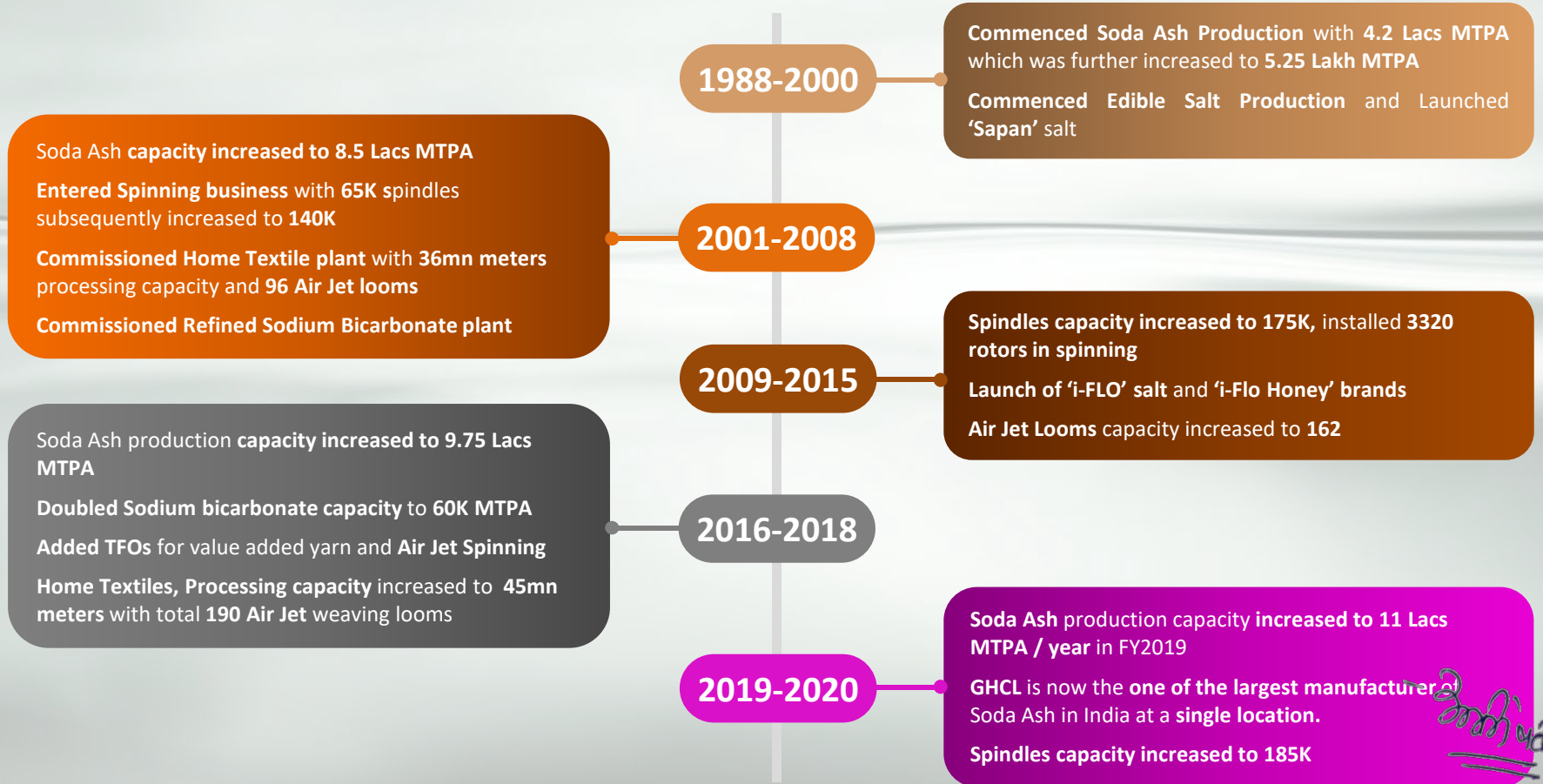
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GHCL Overview



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Evolution of GHCL through the years



Spearheaded by distinguished management



R S Jalan
Managing Director



Raman Chopra
CFO & Executive Director

Experienced and accomplished Board of Directors

Mr. Sanjay Dalmia
(Chairman)

Mr. Anurag Dalmia
(Vice Chairman)

Mr. Neelabh Dalmia
(Executive Director, Textiles)

Justice (Rtd.) Ravindra Singh
(Independent Director)

Dr. Manoj Vaish
(Independent Director)

Mrs. Vijaylaxmi Joshi
(Independent Director)

Mr. Arun Kumar Jain
(Ex-IRS) (Independent Director)

Mr. Lavanya Rastogi
(Independent Director)

Resilient Operational Team

NN Radia
President & COO, Soda Ash

M. Sivabalasubramanian
CEO, Spinning

Biswarup Goswami
CHRO

Bhwneshwar Mishra
Company Secretary

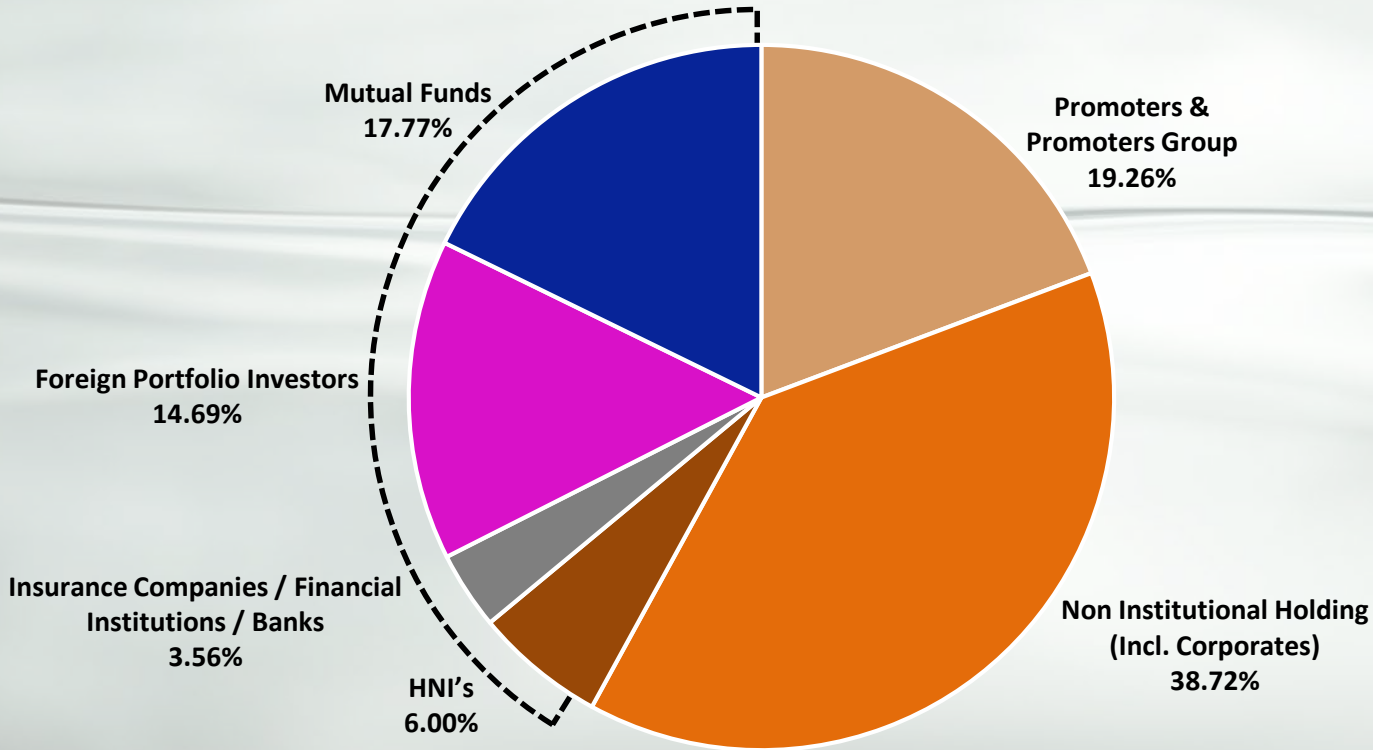
Core Values at forefront

- GHCL is an unique work place which is dotted with its Core Values, defining its culture.
- Every employee in the Company is expected to imbibe its Core Values and interact within the business ecosystem with all its stakeholders accordingly.
- Here we have established the link for performance appraisals of every employee with core value surveys conducted twice a year.



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Strong Institutional & HNI Holding – ~42%



MF holding has increased to 17.77% in Dec-20 From 16.72% in Mar-20.

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Note: Shareholding as of December 31, 2020; HNI - Individuals holding share capital in excess of Rs. 2 lakhs.

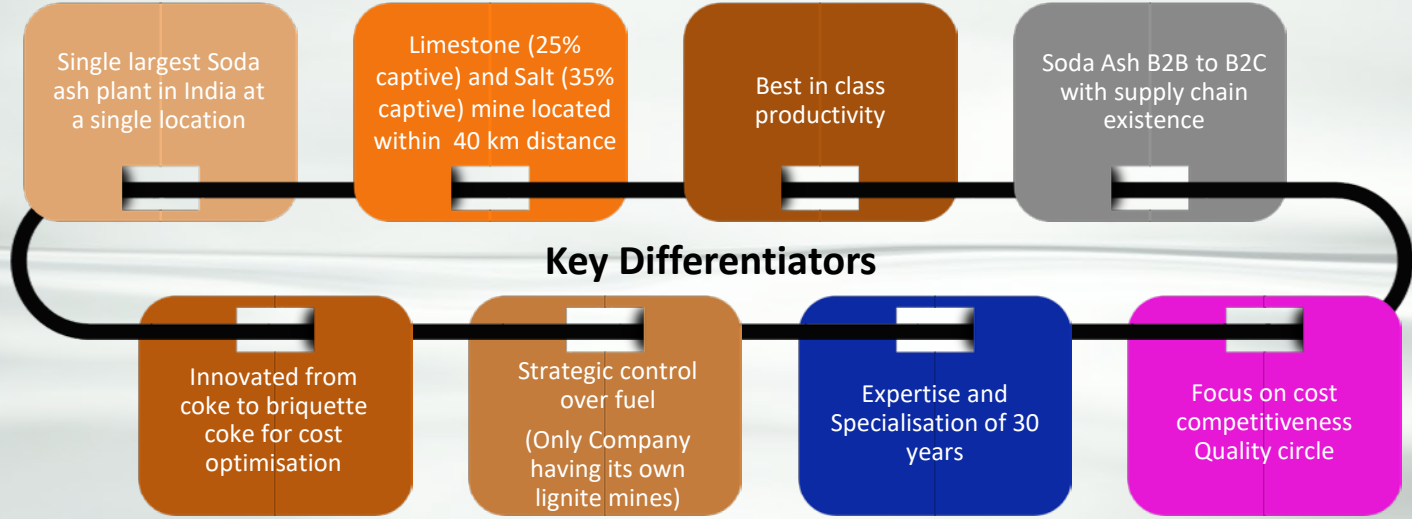
Inorganic Chemicals



The choice of a healthy family!

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Commanding leadership in Soda Ash manufacturing



Margin Leadership

* Based on last 3 year's average EBITDA Margin.

+90%

Capacity utilization;
Highest in industry

11.00L MT

Soda ash capacity;
25% market share of domestic demand

+30%*

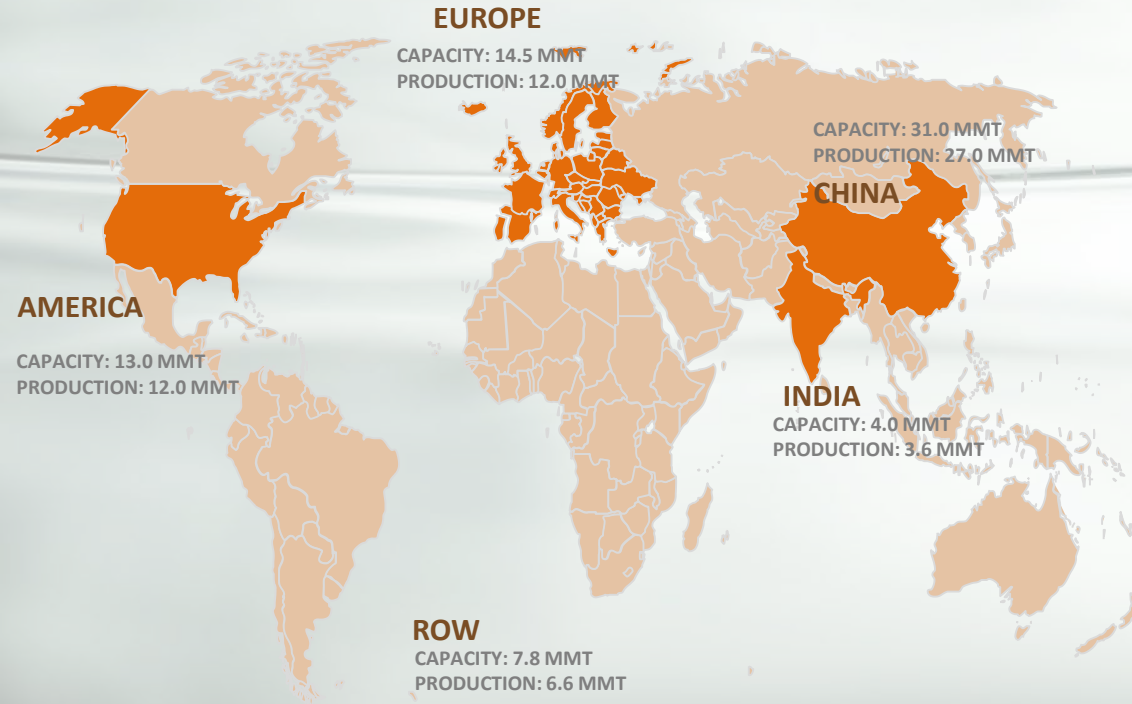
EBITDA Margins;
consistent high margins

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Global outlook on the Soda Ash industry



GLOBAL SIZE: CAPACITY-70 MMT, PRODUCTION-61 MMT



Soda Ash Market Outlook

World Soda Ash markets witnessed some improvement, though overall demand remains far from normal and subdued with dip in prices in most geographies.

- **China:** Markets witnessed improvements with growing economic activities. Domestic demand is recovering due to revival in flat glass. Prices were supported by moderate production levels. Exports for the last 10 months are up by 2.3% yoy.
- **Europe:** Despite concerns around new Covid-19 strain, markets have strengthened due to stable container glass and improving flat glass segments.
- **Turkey:** Quite aggressive in pushing exports despite weak global markets. A weak Turkish currency helped in favorable pricing. Further, lower exports by China helped Turkish producers to gain market share in the Asia-Pacific region.
- **US:** Production has reduced due to high inventories and weak market conditions. Domestic demand remained low and uncertain. Exports are adversely impacted due to lack of demand from South-America and South East-Asia along with strong competition from Turkey.

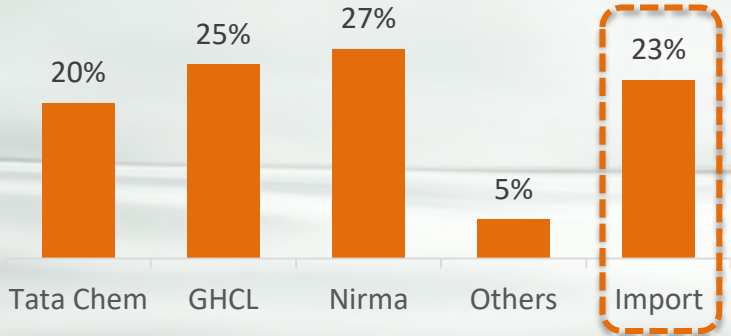
Globally market is growing @ 2.0% pa CAGR requiring around 1.2Mn MT additional supplies every year.

Amrinder

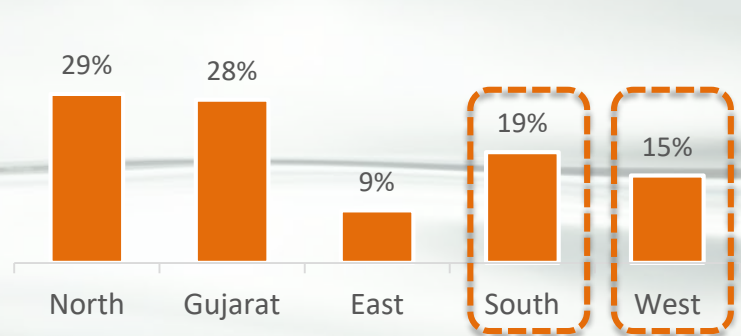
Soda Ash Dynamics (Domestic Industry)



Domestic Market Share

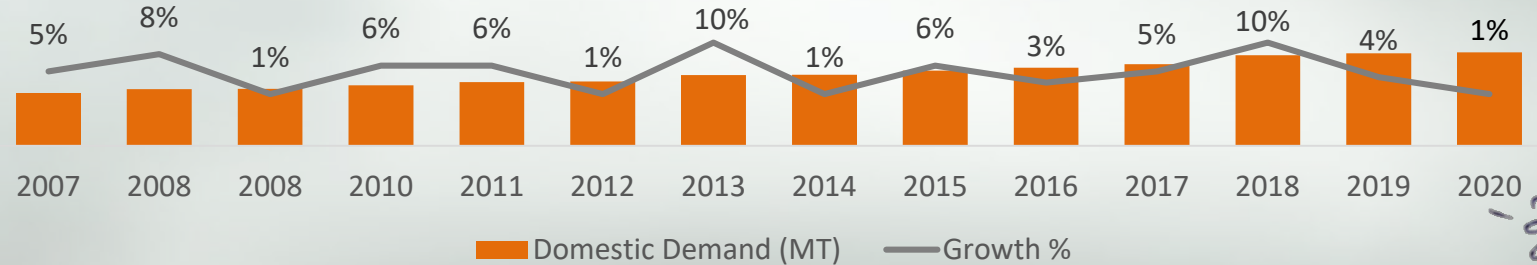


Domestic Demand Concentration



* Based on External demand for FY19 (Source : IMA)

Domestic Demand & Growth Trend (CAGR Growth of 5% during period)



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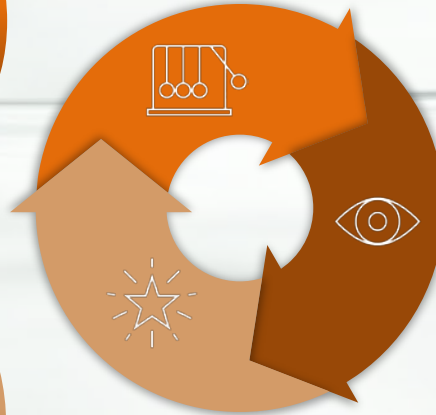
At GHCL, Soda Ash is managed unlike any commodity

Balanced Demand & Supply Scenario

- Historically, no mismatches in Demand supply as supply always followed demand globally

Excellence in Execution

- Sustaining high utilization rates while maintaining periodic enhancement in capacities. Achieved through better planning and maintenance practices



Visibility of Earnings

- Soda Ash business has consistently performed well with steady realizations and margins

Assured visibility on growth through managed execution of highly efficient capacities

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Application diversity of Soda Ash across end-user industries



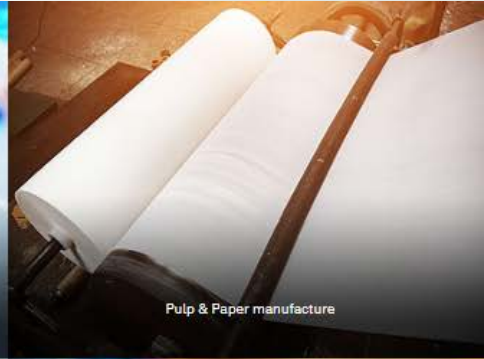
Soap & Detergents



Glass Manufacturing



Chemicals



Pulp & Paper manufacture



Textile Industry



Non- Ferrous Metallurgy



Water Treatment



Mining

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Inorganic Chemicals – Sodium Bicarbonate



Specialization and experience in manufacturing of around a decade

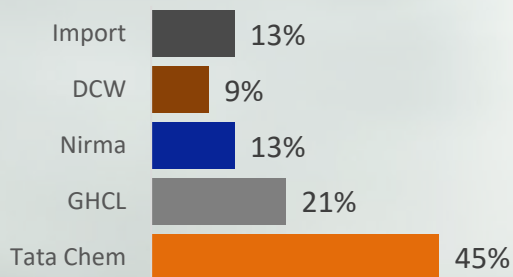
Doubled capacity from 30,000 to 60,000 MT in December 2017

Generally named as baking soda, bread soda, cooking soda and bicarbonate of soda

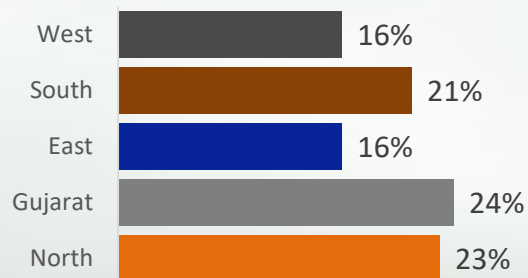
Used in Cooking, Pharmaceuticals, Fire Extinguishers, pH balancer, and Cleaning agent



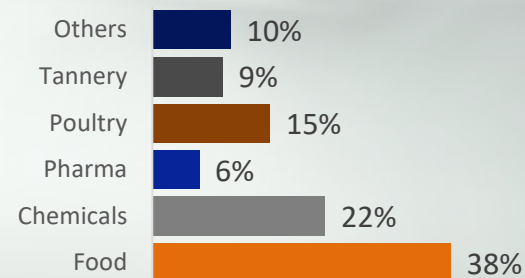
Domestic Demand Share



Domestic Demand Concentration



User Segment spread



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Key Application of Sodium Bicarbonate

Tannery



Pharma



Food



Animal Feed



Chemicals

Potential application of Sodium bicarbonate in flue gas treatment which is under trial phase could be a game changer

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Marquee Clients



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Textiles Segment

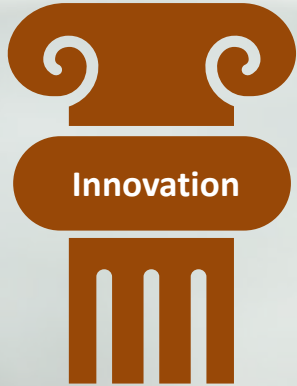


REKOOOP
RECYCLED WITH CERTAINTY



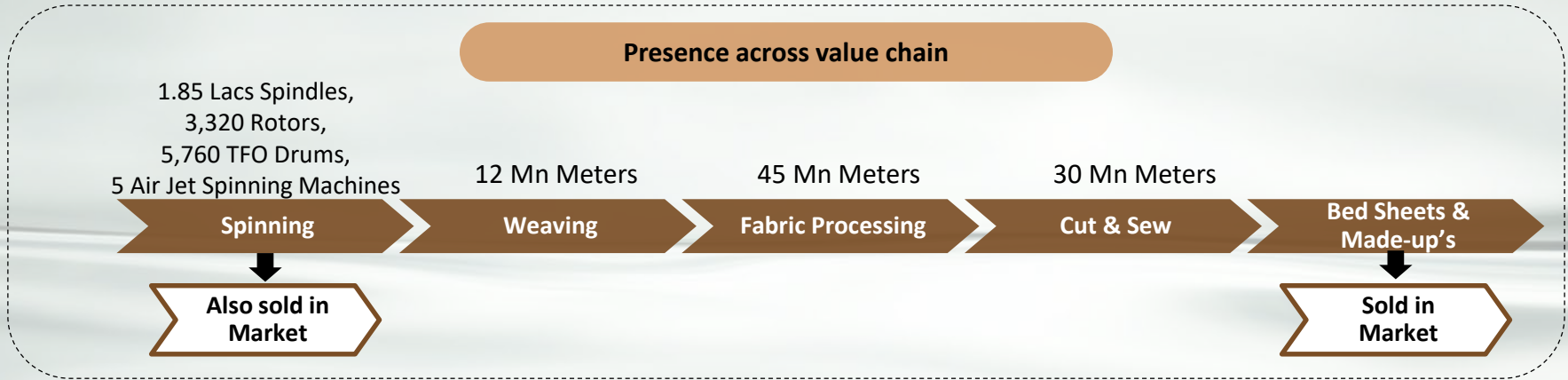
2023

GHCL's Home Textile 4 Pillar Strategy



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Complete Integration improving the efficiency



- **Spindle capacity close to double of home textile requirement giving an opportunity to benefit from expansion of sheeting capacity**
 - Spinning unit located near Madurai in Tamil Nadu
 - Yarn ranging from 16s to 32s in open end, 30s to 120s in ring spun compact counts in 100% cotton and 24s to 70s counts in blended yarns
 - 27.2 MW windmill capacity
- **State-of-the-art Home Textiles facility at Vapi with weaving, processing and made ups**
 - Best of plants and equipment sourced from Germany and Japan - Beninger, Kuster, Monforts
 - Flexibility to process both cotton and blended fabrics.

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Marquee Clients



KOHL'S

 **Revman International**
Great Brands. Real Lifestyles. Quality Product for the Home.

**BED BATH &
BEYOND**



Sainsbury's

amazon.com

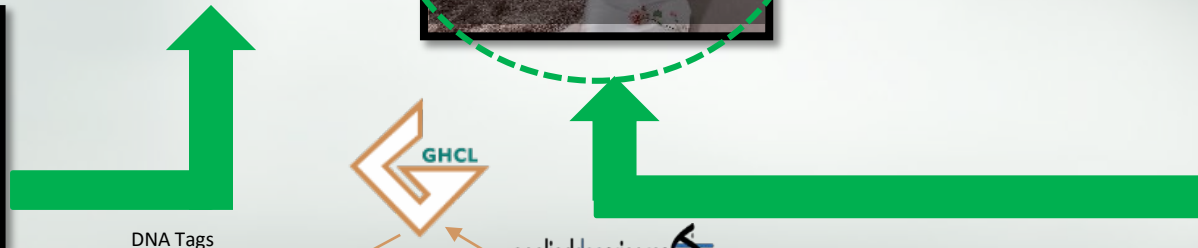
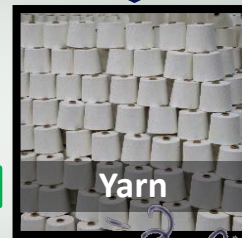
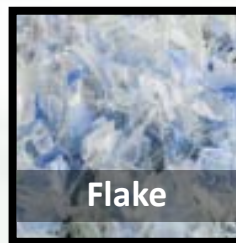
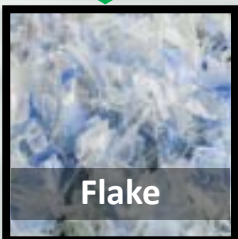
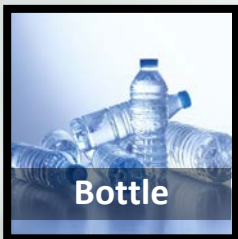
 **Walmart.com**

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Reinventing the **REKOOP** to **REKOOP 2.0**



Manufactured and Sold by GHCL under REKOOP brand



Fibre to be manufactured and supplied by Reliance Industries

Patented technology developed in association with Applied DNA Sciences(ADNAS) & GHCL

Focus on driving profitable growth



- Modular, phase-wise capex to give sustained volume growth
- Emphasis on high efficiency in operations
- Exploring Modular Greenfield Soda Ash expansion

- Continuing to drive performance in spinning. Value-added products to be in focus
- With sustainability and innovation as core planks, home textiles to chart margin expansion

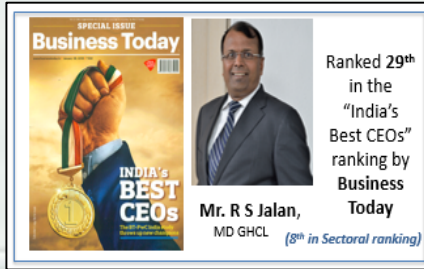
- Expanding product portfolio and geographic footprint remains the key objective
- Cash flows from this segment redeployed towards gaining scale

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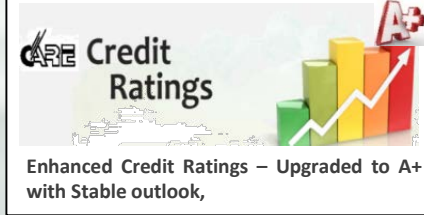
Awards & Recognitions



Referred as **Great Place to work** in four consecutive years of participation



4 Notch Upgrades in last 4 years



Awarded trio of Golden Peacock awards for **Corporate Governance, Corporate social responsibility** and **National Quality**



Mine Award

GHCL Limestones Mines received Mine award under A2 category at 26th Mines Environment and Mineral Conservation week



SIMA Technofacts Award

GHCL Yarn division received SIMA Technofacts Award at the 13th CEO Conference



Par Excellence Award

Won 'Par Excellence Award' at the 6th National Conclave on 5S, Anklashwar Chapter, Quality Circle Form of India (QCFI)

About Us



GHCL Limited was incorporated on 14th of October 1983. The Company has established itself as a well-diversified group with an ascertained footprint in chemicals, textiles and consumer products segments. In chemicals, the Company mainly manufactures Soda Ash (Anhydrous Sodium Carbonate) that is a major raw material for detergents & glass industries; and Sodium Bicarbonate (baking soda). Its Textiles operations is an integrated set up which commences right from spinning of fiber (yarn), weaving, dyeing, printing till the finished products, like sheets & duvets, take shape which are primarily exported worldwide. GHCL's Home Textiles products are predominantly exported worldwide to countries like United Kingdom, United States of America, Australia, Canada, Germany and other European Union countries as well. Consumer Products operation is another business for GHCL where it is a leader in manufacturing and selling edible salt, industrial grade salt and jujube honey in the country under the brand name of I-Flo.

At GHCL Ltd., sustainability is a core element of the business strategy as defined under the aegis of 'GHCL Way' which has four pillars i.e. Responsible Stewardship, Social Inclusiveness, Promoting Relationship and Adding Value. GHCL is committed to working closely with all stakeholders at various plant locations for promoting the agenda of sustainability underpin on GHCL Ltd. core values (Respect, Trust, Ownership and Integrated Team work).

For more information please visit us at www.ghcl.co.in

Contact Us:

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nishid@cdr-india.com

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A wide-angle photograph of a large industrial facility, likely a refinery or chemical plant. The scene is filled with complex piping, scaffolding, and large cylindrical storage tanks. A white van is parked on a paved area in the foreground. The sky is clear and blue. A semi-transparent brown banner is overlaid across the middle of the image, containing the text "Thank You".

Thank You