

**August 1, 2024**

**श्रावण - कृष्ण पक्ष, द्वादशी  
विक्रम सम्वत् २०८१**

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

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

Dear Sir/Madam,

**Subject: Investors' Presentation – Q1FY25 Business Update**

As informed on July 27, 2024 that a conference call to discuss the Q1FY25 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 **Friday, August 2, 2024 at 12.00 PM (IST)**. In this regard, copy of the financials and other business details for Q1FY25 (i.e. Business Update), which is going to be circulated for the scheduled investors' conference, is enclosed herewith for your reference & record.

Please note that copy of this intimation is also available on the website of BSE Limited ([www.bseindia.com/corporates](http://www.bseindia.com/corporates)), National Stock Exchange of India Limited ([www.nseindia.com/corporates](http://www.nseindia.com/corporates)) and website of the Company ([www.ghcl.co.in](http://www.ghcl.co.in)).

You are requested to kindly take note of the same.

Thanking you

Yours truly

**For GHCL Limited**

**Bhwneshwar Mishra**  
**Vice President - Sustainability & Company Secretary**  
(Membership No.: FCS 5330)



# GHCL Limited

Q1 FY25 Investor Update  
August 2024



*Amul*

# Safe Harbour



This presentation and the accompanying slides (the “Presentation”), which have been prepared by GHCL Limited (the “Company” or “GHCL”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.

A handwritten signature in black ink is located in the bottom right corner of the slide. The signature is stylized and appears to be the name of the author or reviewer. Below the signature is a small number '2'.

# Management commentary on Q1 FY25 Results



Commenting on the performance, Mr. R. S. Jalan, MD said:

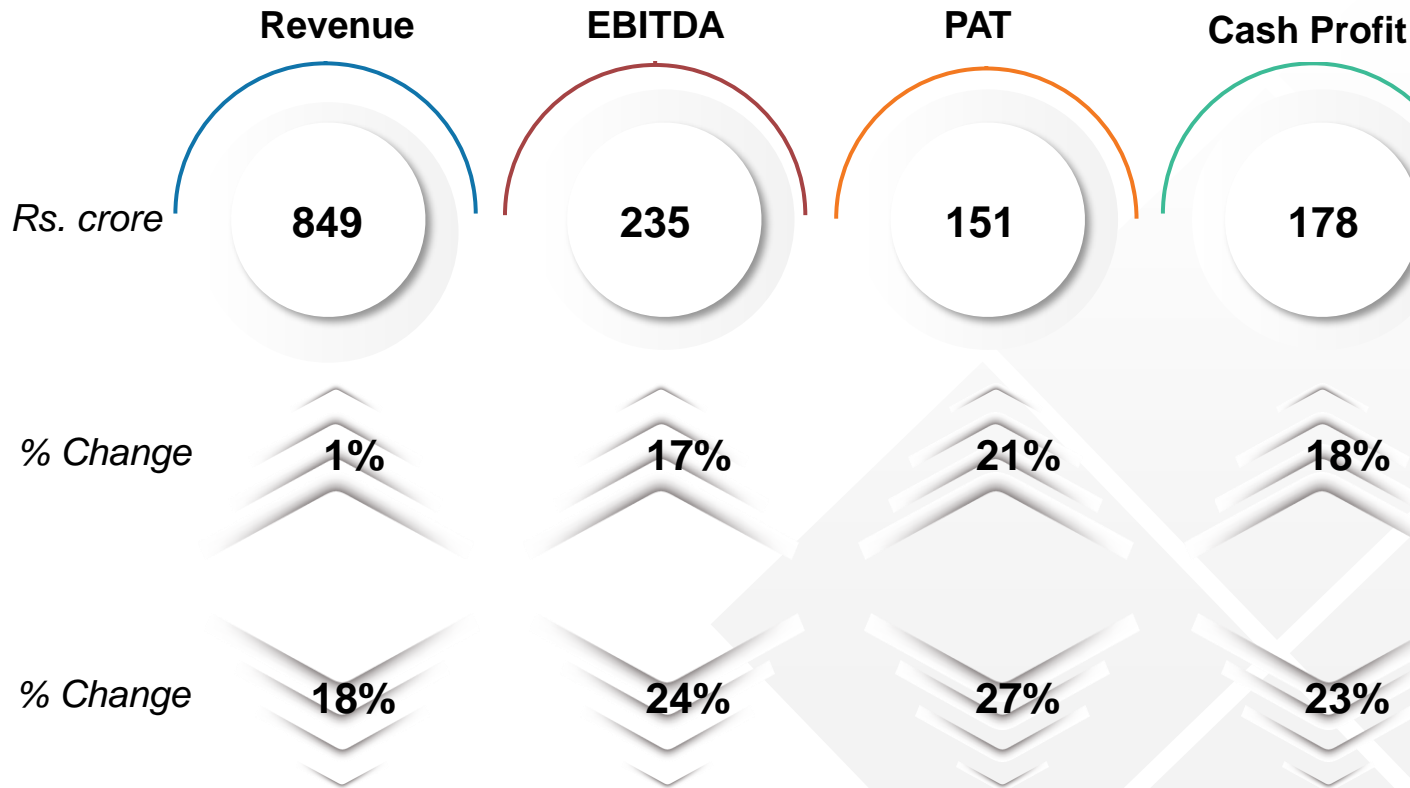


*“GHCL is an established leader in growth and efficiency. Across multiple business cycles, we have consistently delivered better operating performance. This success is attributed to our operational efficiency, prudent capital deployment and well-timed strategic capacity expansions, which have enabled us to maintain a high market share and continuously enhance value for our stakeholders. Our exciting journey continues as we solidify our leadership in Soda Ash and expand into high-margin, value-added product portfolio.*

*We commenced the year on a positive note with stable revenues and a 17% improvement in EBITDA. While there are early signs of recovery, the view on global soda ash market remains mixed, with demand in certain places being strong but with overall weaker pricing. In India we are seeing higher consumption trends whereas the quantum of imports is contained. Demand for detergents and glass remains strong, with emerging applications like solar glass anticipated to gain momentum as solar parks are established in the country. Union budget has also imposed a 10% import duty on solar glass, which will facilitate the domestic soda ash industry.*

*Our investments in newer growth initiatives are taking concrete shape. While the large scale greenfield soda ash plant is making progress, other projects such as Vacuum Salt and Bromine are set to come on stream in next year. Additionally, benefits from Salt Yield enhancement and Sodium Bi-carbonate expansion will accrue in current year. These initiatives, will significantly enhance our performance and deliver substantial value to shareholders.”*

# Performance highlights – Q1 FY25



Q1 FY25  
Vs  
Q4 FY24  
(Q-o-Q)

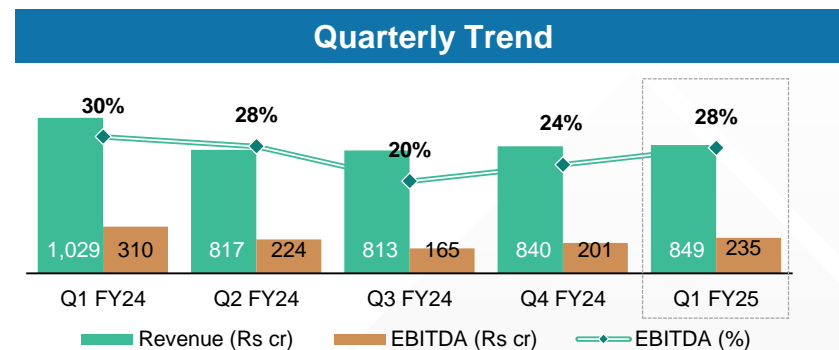
Q1 FY25  
Vs  
Q1 FY24  
(Y-o-Y)

# Q1 FY25 highlights



(Rs. In Crore)

Particulars	Q1 FY25	Q1 FY24	Y-o-Y	Q4 FY24	Q-o-Q
Revenue	849	1,029	(18%)	840	1%
EBITDA	235	310	(24%)	201	17%
EBITDA Margin %	27.7%	30.1%	-240 bps	23.9%	+380 bps



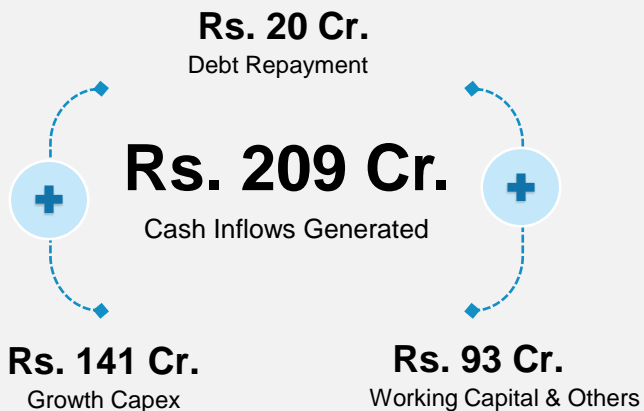
## Performance Highlights

- Revenue performance was characterized by oversupply situation in soda ash due to higher imports resulting in continued pressure on pricing.
- Despite the industry headwinds, the performance and margins have improved since last two quarters
  - Revenue improved by 1% sequentially mainly due to better sales volume in current quarter
  - EBITDA improved by 17% sequentially due to higher volume and reduced costs during the quarter

# Resource allocation & key financial ratios



## Efficient Capital Allocation For Q1 FY25



**Decrease in cash & cash equivalents\*\* Rs. 45 Cr.**

**Closing cash & cash equivalents\*\* Rs. 853 Cr.**

### Net Debt Free

Net Cash Surplus of **Rs. 676 Cr.**

Gross Debt **Rs. 177 Cr.**

### Key Ratios

Net Cash to Equity	ROCE*
<b>0.22x</b>	<b>20%</b>
Net Cash to EBITDA	ROE*
<b>0.82x</b>	<b>17%</b>

**Note:** \*ROCE and ROE post tax are calculated based on trailing 12 months. \*\* Cash and cash equivalents consists of cash, bank and current investments.

# Profit & loss statement



(Rs. In Crore)

	Q1 FY25	Q1 FY24	Y-o-Y	Q4 FY24	Q-o-Q	FY24
<b>Revenue</b>	<b>849</b>	<b>1,029</b>	<b>(17%)</b>	<b>840</b>	<b>1%</b>	<b>3,498</b>
Operating Expenses	614	719	(15%)	639	(4%)	2,599
<b>EBITDA</b>	<b>235</b>	<b>310</b>	<b>(24%)</b>	<b>201</b>	<b>17%</b>	<b>899</b>
EBITDA Margins	27.7%	30.1%	(240 bps)	23.9%	380 bps	25.7%
Depreciation	27	24	13%	26	4%	102
EBIT	207	286	(28%)	175	18%	797
Interest	4	8	(50%)	5	(20%)	25
<b>PBT before exceptional items</b>	<b>203</b>	<b>278</b>	<b>(27%)</b>	<b>170</b>	<b>19%</b>	<b>772</b>
Exceptional Item	--	219	NM	--	NM	219
Profit Before Tax	203	497	(59%)	170	19%	991
Tax	53	71	(25%)	45	18%	198
Profit After Tax	151	426	(65%)	125	21%	793

Note: Revenue includes transportation charges recovered from customers as per IND AS requirement



# GHCL is a class leader with proven track record of strong execution



## Key Differentiating Factors

Single largest Soda ash plant in India at a single location

Best in class productivity and utilizations

Customer serviceability and segmentation with OTF model

Cost and margin leader due to focus on cost competitiveness

Backward integration of raw materials with nearby captive limestone mines and salt fields

Innovated from coke to briquette coke for cost optimisation

Strategic control over fuel with captive lignite mines and 6.7MW of renewable energy

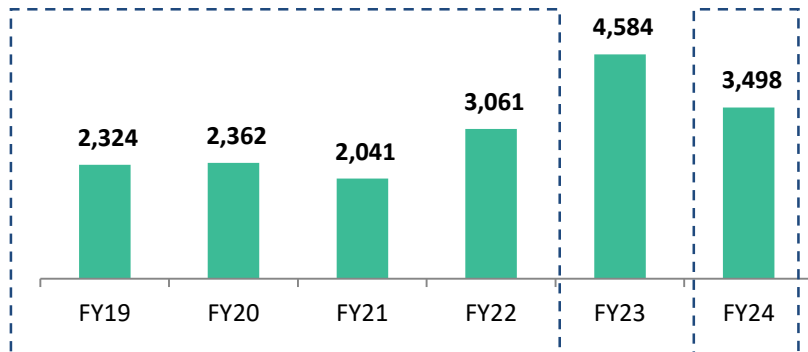
Management expertise and experience of over 30 years

**Despite the headwinds faced by the Chemical sector, GHCL has maintained performance due to focus on operational efficiency. Given its strategic initiatives it is well positioned to capture future upsides as external dynamics revert to normal.**

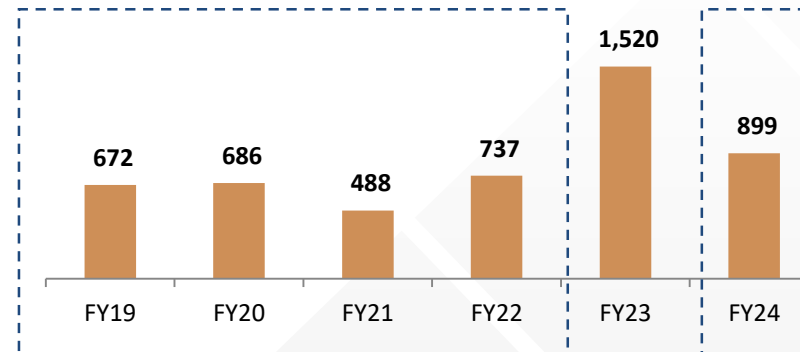
# Historical financial overview



## Revenue (Rs. Cr.)



## EBITDA (Rs. Cr.)



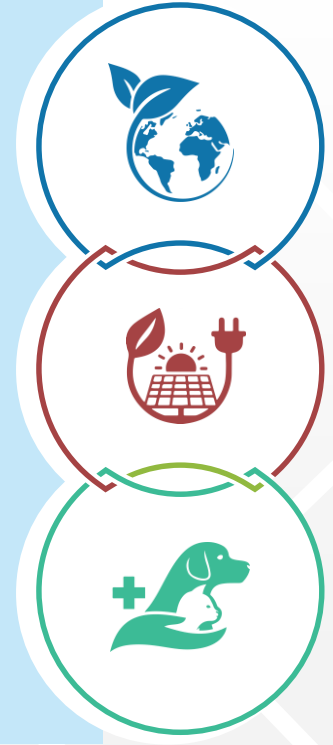
- **Relative to the prior 5 years, FY24 stands out for best performance, except for FY23 which was an extraordinary strong year.**
- In FY23, industry was able to accommodate substantial price increase due to favorable demand-supply dynamics and supportive global trends. As a result, FY23 stood out as an extraordinary strong year.
- FY21 was impacted adversely by COVID-19.

# Building a resilient tomorrow



## Key Growth levers

- Greenfield Soda Ash project of 5L MT (phase I)
- Increased volume for sodium bi-carbonate
- Vacuum salt from waste energy
- Bromine project at existing salt work
- Salt yield improvement
- Augmenting backward integration of raw material for enhanced control on cost



**Smarter foundation for better tomorrow; Creating scale - strengthening leadership**

## Long Term Play

Large growth opportunities as flue gas treatment is emerging as a huge segment in India

We have doubled the production capacity at existing Soda Ash plant to 120K MT

We are ready to capture this opportunity. Increased monthly run rate is already visible.



# Positive impact of Union Budget 2024 on Soda Ash industry



- 1) Boost to renewable energy sector by **imposing 10% custom duty on import of Solar Glass**

---

- 2) **PM Surya Ghar Muft Bijli Yojana** through installation of solar roof top panels

---

- 3) Significantly allocation for **PM Awas Yogna (PMAY)**

---

- 4) Higher capex allocation for **Infrastructure** sectors

**GHCL Soda Ash business to benefit from the aforesaid announcement in the budget driving the growth for solar energy, housing and infrastructure sectors.**

# Business outlook



## Near Term

Many parts of the world, including Europe and Americas continue to experience high inflation and softer demand of Soda Ash.

Soda Ash market worldwide is oversupplied and new production capacities have been built in China and US. US and Turkey are exporting including to Asia affecting prices.

However, demand in China has increased by ~10% in CY2023 mainly on account of robust demand from solar glass and lithium carbonate segments.

International freight costs have recently increased due to supply chain disturbance. Input costs, particularly energy prices are gradually decreasing.

We expect Soda Ash prices to have nearly bottomed out and should stabilize at current level.

## Long Term

The long-term demand for soda ash is strong and expected to increase from 67.8 million MT to 78-83 million MT by 2030. This growth is fueled by global green initiatives like solar glass, lithium carbonate and flue gas treatment.

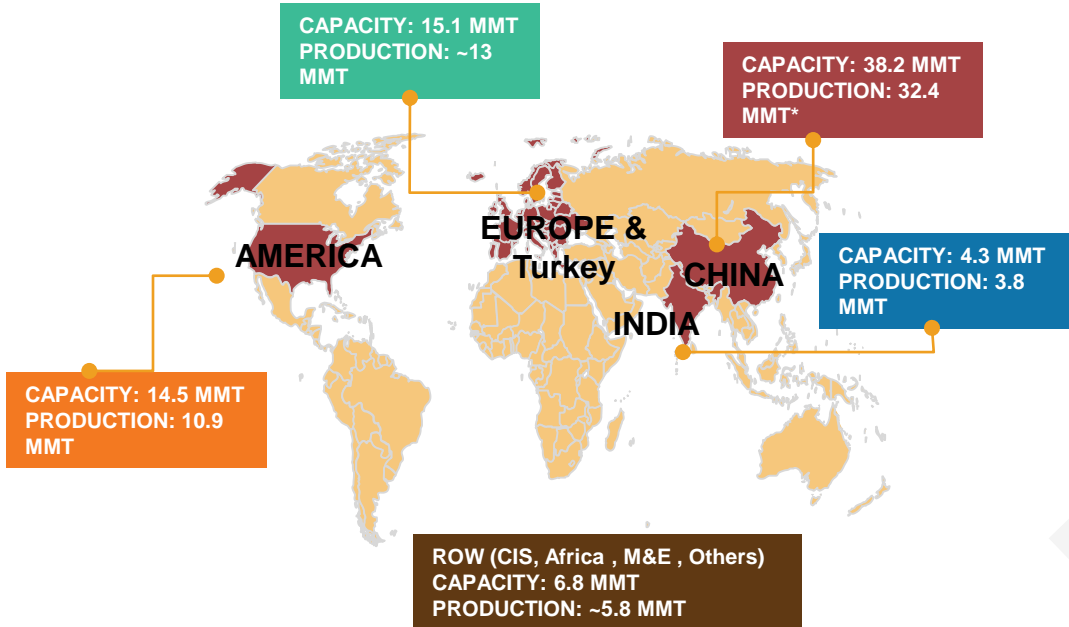
Natural soda ash, particularly from the US and China, will see a gradual increase in market share. Meanwhile, synthetic soda ash will continue to play a significant role in meeting the overall global demand, particularly in regions where natural soda ash is not available to offset higher freight costs.

China is dominating the global energy transmission with increased adoption of EVs and PV Solar. It is anticipated that China will prioritise its domestic market consumption over international trade. Also smaller and inefficient soda ash plants may eventually be closed due to evolving market conditions.

# Global outlook on the soda ash industry



**GLOBAL SIZE: CAPACITY~79 MMT, PRODUCTION-66 MMT\***



## Soda Ash Market Overview by Key Regions

### Turkey:

Turkish soda ash manufacturers are facing poor demand in Europe. As a result they are aggressively exporting to Asian markets including China.

### Americas:

Soda Ash Market was oversupplied due to increased capacity and production. Americas has increased exports to various regions including Asia and Europe.

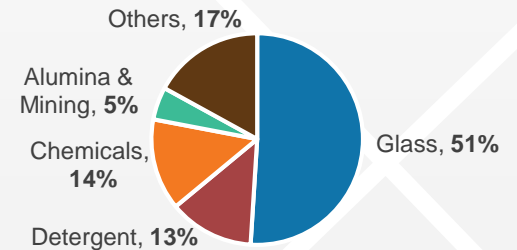
### China:

China has delivered strong domestic demand in CY 2023 of around 10% yoy. Berun's plant at Inner Mongolia completed 5MMT capacity.

### Europe:

Higher inflation has impacted customer sentiments and demand. Some of the capacity will be reorganized in medium term.

## Global Demand by User Segment



**Global market is growing at 2.5-3% CAGR, generating around ~2Mn MT incremental Soda Ash demand each year**

**Note:** \* Including new capacities recently commissioned such as China's Inner Magnolia and others (~7 MMT), USA's Genesis (~1.2MMT), and Turkey (0.4MMT)



# Company Overview



# GHCL – An introduction



## Best-in-class



- Operations management
- CAPEX planning and execution
- Financial management

## Professional Mgmt.

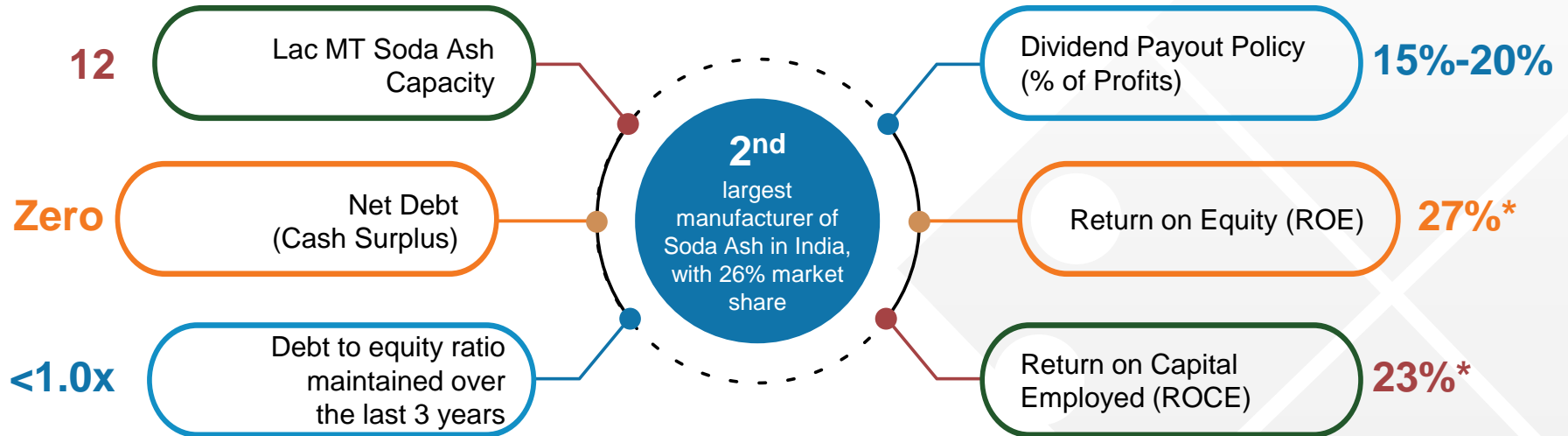


- Focused management approach
- Strategy led by professional management team

## Targeting

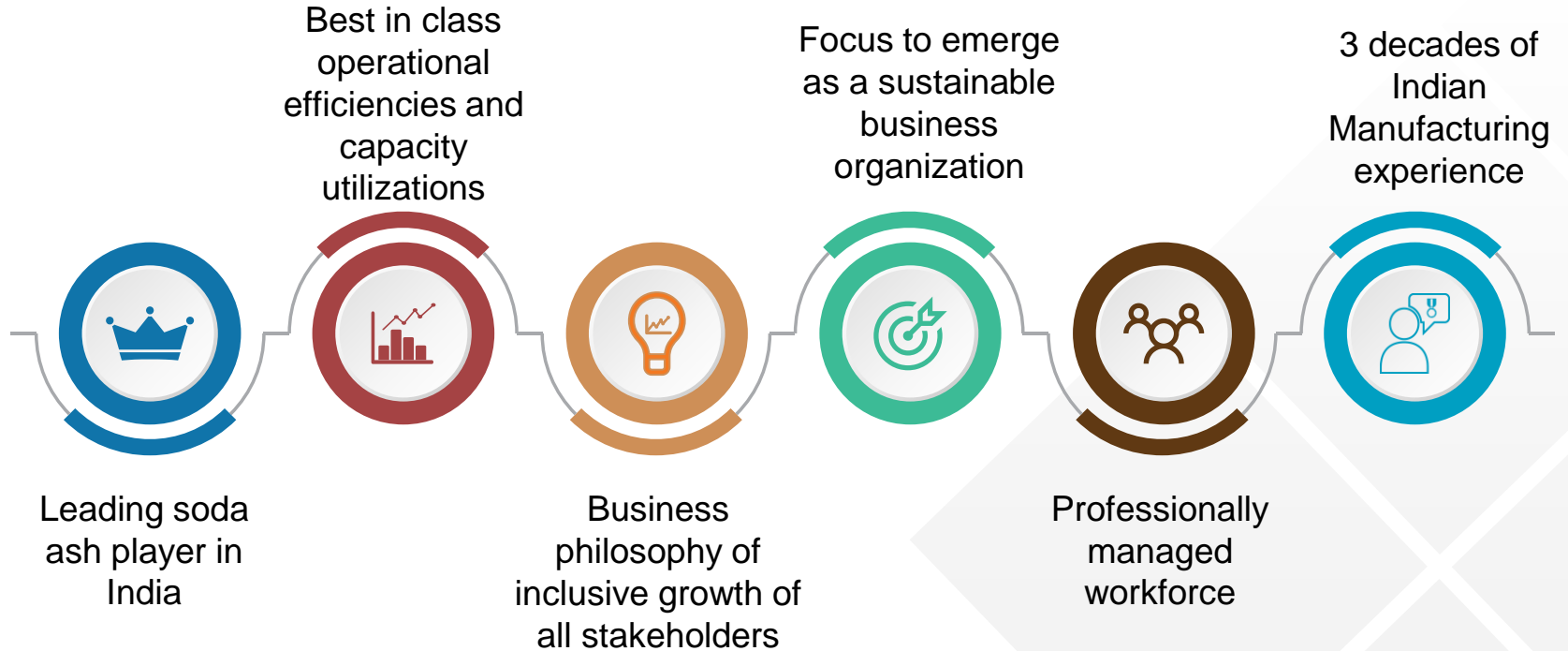


- To grow profits at a CAGR 15% on a long-term horizon
- To inculcate value systems that defines our culture
- To drive sustainable inclusive growth involving all stakeholders

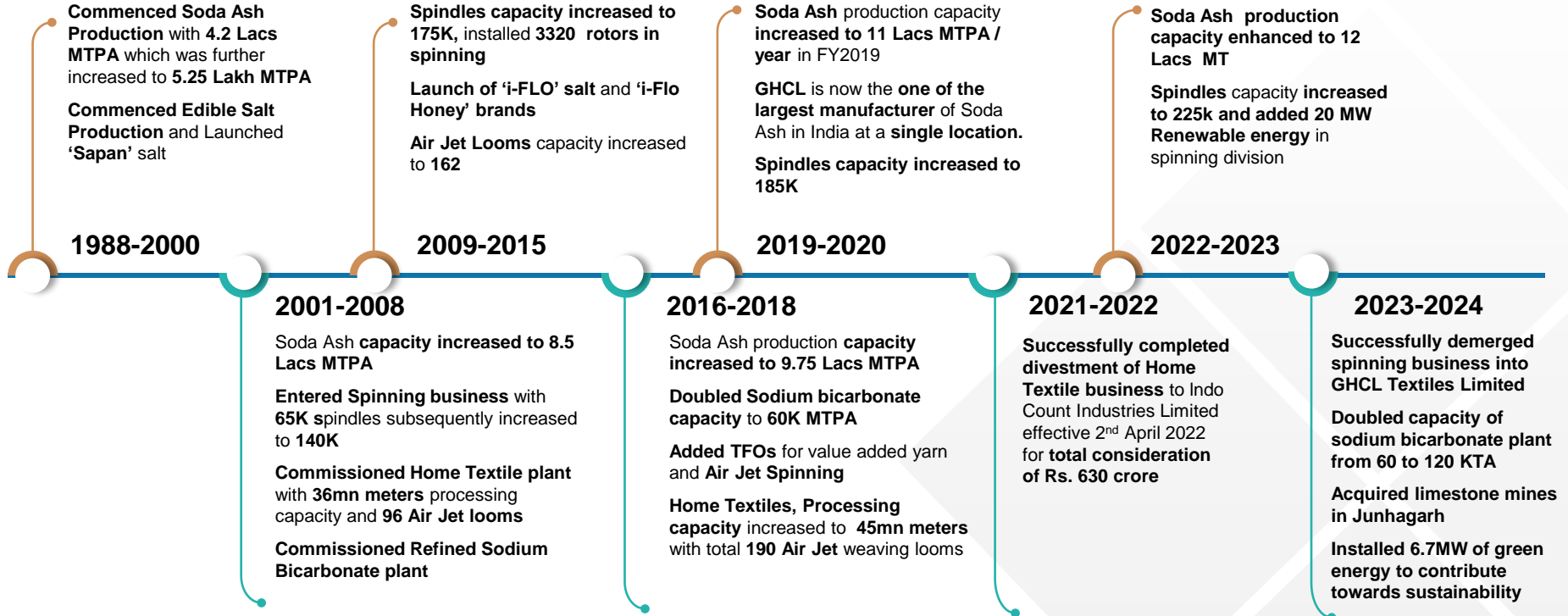


Note : \*As on 31st March, 2024

# Our USPs - what set us apart



# Evolution of GHCL through the years



# Our objective

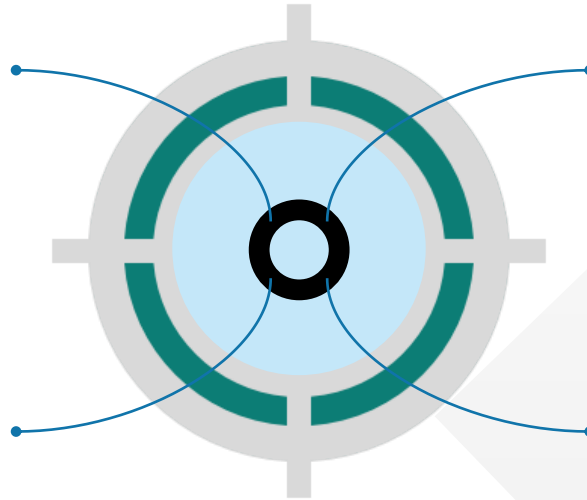
“Achieve a CAGR growth of 15% in bottom-line with creating value for all our 5 stakeholders”

## Responsible Growth

Organic Growth – CAPEX, Non-CAPEX led Growth, Growth – M&A/ JV and Optimize Return on Capital

## Brand Image

Corporate Governance, Customer Focus and Stakeholder Engagement



## ESG

HSE – Zero Harm, CSR – Responsible Citizen and Renewable Energy

## Learning Organization

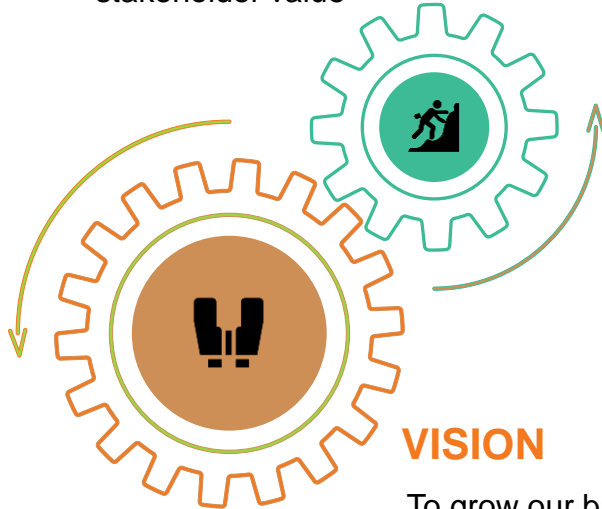
Competency Building, Talent Management and Employer of Choice

To Grow our Business Responsibly, with Governance, Sustainability and Core Values as our Foundation

# Core values at forefront

## MISSION

Responsibly maximising stakeholder value



## VISION

To grow our business responsibly, with governance, sustainability and core values as our foundation

- GHCL is a unique workplace 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



### Respect

Thoughtful and show regards for another person.



### Trust

Confidence in each others' capabilities and intentions.



### Ownership

Responsibilities of own decisions and actions.



### Integrated teamwork

Each person to work towards larger group objectives.

# Quest for Innovation



**RBC Plant innovation:** Commissioned a 150 TPD energy-efficient Rotating Biological Contactor (RBC) plant. Equipped with advanced technologies for optimal wastewater treatment and reduced energy consumption. Enables resource recovery from wastewater, supporting circular economy efforts and sustainable growth

**Chiller integration:** Commissioned an additional 1650 TR chiller using return seawater. Enhances process efficiency and system reliability. Optimizes cooling operations and reduces energy consumption. Reduces freshwater usage and minimizes environmental impact. Supports production processes and advances sustainability goals.

**Enhanced tower efficiency:** Installed booster blowers to ensure consistent combustion air supply. Improves combustion efficiency and reduces energy usage. Optimizes kiln performance, mitigates system strain, and prevents potential issues. Demonstrates commitment to enhanced tower efficiency and effective pressure management.

**Digitization & Automation:** Engaged in digital transformation. Implemented historian system, automated weighbridge operations. Analytical models optimize carbonation tower operations. Enhances efficiency, productivity, and operational excellence. Focus on cost-efficiency through cutting-edge technologies and data analytics.

**Robotic Process Automation (RPA) Implementation:** Leveraging RPA for digital transformation. Automates manual, rule-based tasks to boost efficiency and productivity. Successful tests include automated Advanced Shipping Notice (ASN) posting using BOTs. Digitizing raw material document management and automating invoice processing. Implementing across functions to manage repetitive tasks effectively.

## IMPLEMENTATION OF ROBOTIC PROCESS AUTOMATION



# Sustainability vision

## Zero Harm Initiative

- Target – Zero reportable injuries
- Target – Zero environmental incidents

## Climate Warrior Initiative

- Target – 30% reduction in Scope 1 and 2 emissions by 2030
- Target – Implementation of internal carbon pricing in procurement process

## Stakeholder Centricity – Targets:

- Trusted CSR brand
- To be among the Top 100 Great Place to Work
- Target – Single-digit overall attrition rate
- 5% representation of overall female employees

Savings of Rs.  
11.6 Crore  
through  
process  
efficiency  
initiatives

88,662 KL  
water  
recycled /  
reused



# Product offerings



## Soda Ash Light

- Key sodium carbonate variant
- Density: ~0.7g/cc
- Essential for: Detergent manufacturing & Soap manufacturing

## Dense Soda Ash

- Also known as Sodium Bicarbonate (Baking Soda)
- Natural alkaline compound
- Versatile applications: Cleaning products, Personal care items (e.g., toothpaste), Pharmaceutical industry

## Sodium Bicarbonate

- High-quality Soda Ash Dense production
- Derived from sodium chloride and limestone
- Uses include: Detergents, Cleaning industries, Water treatments, Glass manufacturing





# Key application of Sodium bicarbonate



**A Thermal Power Producer is successfully using Sodium bicarbonate for FGD treatment and GHCL is supplying its materials**

**Potential application of Sodium bicarbonate in flue gas treatment is under trial phase; could be a game changer if successful**

# Awards & recognitions



## Gujarat Lignite Mines Safety & Swachhata



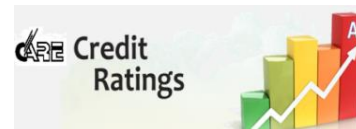
GHCL Khadsaliya Lignite Mines received 17 awards

## Most Trusted Leaders Award



Mr. R.S. Jalan, MD GHCL was honored with the prestigious "India's Most Trusted Leaders Award" by The Great Place to Work

## 5 Notch Upgrades in last 6 years



Enhanced Credit Ratings – Upgraded to AA- with Stable outlook,

## Mahatma Award



CSR Excellence

## National Water Awards GOI



Third Best Industry for CSR at the 4<sup>th</sup> National Water Awards by Ministry of Jal Shakti,GOI

## CII Excellence in 3R



Received CII Award for Excellence in 3R (Reduce, Reuse and Recycle)



Rank 2023



Great Place To Work for eighth consecutive years of participation. Recognized in Top 50 Manufacturing Workplace.

ET 500

Rank 2023



(Rank 2022: 386)

# Spearheaded by distinguished management



**R S Jalan**  
Managing Director



**Raman Chopra**  
CFO & Executive Director



## Experienced and accomplished Board of Directors

**Anurag Dalmia**  
(Non-Executive Chairman)

**Neelabh Dalmia**  
(Executive Director, Growth & Diversification)

**Dr. Manoj Vaish**  
(Independent Lead Director)

**Mrs. Vijaylaxmi Joshi**  
(Ex-IAS) (Independent Director)

**Arun Kumar Jain**  
(Ex-IRS) (Independent Director)

**Justice (Rtd.) Ravindra Singh**  
(Independent Director)

## Resilient Operational Team

**NN Radia**  
(Sr. President & COO)

**Mayuresh Hede**  
(Head of Operations)

**Sunil Singh**  
(Head of Marketing)

**Jayesh Patel**  
(Head of Greenfield Project)

**Bhawneshwar Mishra**  
(Head of Sustainability & CS)

**Anil Singh**  
(Head of HR and IR)

# About us



**GHCL Limited** was incorporated on 14th October 1983. The Company has established itself as a well-diversified group with an ascertained footprint in chemicals 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). 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 Teamwork).

For more information, please visit us at [www.ghcl.co.in](http://www.ghcl.co.in)

## Contact Us:



**Manu Jain**



**GHCL Limited**



**Tel:** +91 120 493 9934



**Email:** manujain@ghcl.co.in



**Siddharth Rangnekar / Nishid Solanki**



**CDR India**



**Tel:** +91 22 6645 1209 / 1221



**Email:** siddharth@cdr-india.com / nishid@cdr-india.com



Scan the QR Code to know more about the company



**Thank You**

