GHCL Limited

June 8, 2023

आषाढ़ – कृष्ण पक्ष-पंचमी
विक्रम सम्वत २०८०

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,

Sub: Filing of 40th Annual Report (Integrated) of the Company for the financial year 2022-23 along with Notice to Shareholders for Annual General Meeting

We would like to inform that 40th Annual General Meeting of the Company, is scheduled to be held on **Saturday, July 1, 2023 (शनिवार, आषाढ़ शुक्ल पक्ष – त्रयोदशी, विक्रम संवत २०८०) at 10.00 a.m.** (IST) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), as per the framework issued by the Ministry of Corporate Affairs (MCA) vide General Circular No. 14 of 2020 dated April 08, 2020, Circular No. 17 of 2020 dated April 13, 2020, Circular No. 20 of 2020 dated May 05, 2020, and General Circular No. 10/2022 dated December 28, 2022 and SEBI Circular dated 12th May, 2020, and January 5, 2023 (collectively referred to as "Circulars")

We would further like to inform that pursuant to requirement of Regulation 34 read with 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and any other applicable provisions if any, please find enclosed herewith 40th Annual Report (Integrated) of the Company for the financial year 2022-23, which includes Notice, Board's Report along with report on Corporate Governance, Business Responsibility and Sustainability Report, Integrated Report, MDA, Audited Financial Statements along with Consolidated Financial Statements and Auditors Reports thereon. The dispatch of notice of the 40th AGM through emails has been completed on June 8, 2023. Copy of dispatched proof is attached herewith for your reference & record.

We would further like to inform that as per the Finance Act, 2020, dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of the Shareholders. In compliance with the said Finance Act, Company shall therefore be required to deduct tax at source at the time of making the payment of the said Dividend the Shareholders.

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

You are requested to kindly take note of the same.

Thanking you

Yours faithfully

For GHCL Limited

Bhuwneshwar Mishra
Vice President – Sustainability & Company Secretary

B- 38, GHCL House, Institutional Area, Sector- 1, Noida, (U.P.) - 201301, India. Ph. : +91-120-2535335, 4939900, Fax : +91-120-2535209
CIN : L24100GJ1983PLC006513, E-mail : ghclinfo@ghcl.co.in , Website : www.ghcl.co.in

Regd. Office : GHCL House, Opp. Punjabi Hall, Near Navrangpura Bus Stand, Navrangpura, Ahmedabad, Gujarat - 380009, India

GHCL Limited

Nurturing a better future

40th
Integrated Annual Report 2022-23

भगवान श्रीसोमनाथ जी की स्तुति

ध्यायेन्नित्यं महेशं रजतगिरिनिभं चारु चन्द्रावतंसम् ।
रत्नाकल्पोज्ज्वलाङ्गं परशु मृगवराभीतिहस्तं प्रसन्नम् ।।

पद्मासीनं समन्तात् स्तुतममरगणैर्व्याघ्रकृतिर्वसानम् ।
विश्वाद्यं विश्ववन्द्यं निखिलभयहरं पञ्चवक्रं त्रिनेत्रम् ।।

माँ मीनाक्षी की स्तुति

श्रीविद्यां शिव वाम भाग निलयां ह्रीङ्कार मन्त्रज्ज्वलां
श्रीचक्राङ्कित बिन्दु मध्य वसतिं श्रीमत्सभा नायिकाम् ।

श्रीमत्षणमुख विघ्नराज जननीं श्रीमज्जगन्महिनीं
मीनाक्षीं प्रणतस्मि सन्ततमहं कारुण्य वारांनिधिम् ।।

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Board of Directors

Mr. Sanjay Dalmia
Non-Executive Chairman

Mr. Anurag Dalmia
Non-Executive Vice Chairman

Smt. Vijaylaxmi Joshi, Retd. IAS
Independent Director

Justice (Retd.) Ravindra Singh
Independent Director

Mr. Arun Kumar Jain, Retd. IRS
Independent Director

Dr. Manoj Vaish
Independent Director

Dr. Lavanya Rastogi
Independent Director

Mr. R S Jalan
Managing Director

Mr. Raman Chopra
CFO & Executive Director (Finance)

Mr. Neelabh Dalmia
Executive Director (Growth & Diversification Projects)

Secretary

Mr. Bhuwneshwar Mishra
Vice President - Sustainability & Company Secretary

Registered Office

"GHCL HOUSE"
Opp. Punjabi Hall
Navrangpura
Ahmedabad – 380009 (Gujarat)

Corporate Office

"GHCL HOUSE"
B-38, Institutional Area,
Sector-1, Noida – 201301 (U.P.)
Email:ghclinfo@ghcl.co.in,
secretarial@ghcl.co.in
Website: www.ghcl.co.in

Subsidiaries

Dan River Properties LLC

Company Identification No.

CIN – L24100GJ1983PLC006513

Statutory Auditors

S.R. Batliboi & Co. LLP
Chartered Accountants, Gurugram

Secretarial Auditors

Chandrasekaran Associates,
Company Secretaries, New Delhi

Cost Auditors

M/s R J Goel & Co.,
Cost Accountants, New Delhi

Plant Locations

Inorganic Chemical Division:

Soda Ash Plant:
Village: Sutrapada Near Veraval,
Distt.: Gir Somnath, Gujarat – 362275

Salt works:
Port Albert Victor, Via Dungar,
Distt.: Amreli, Gujarat - 364555

Lignite Mines:
713/B, Deri Road, Near Diamond Chowk,
Krishnanagar, Bhavnagar,
Gujarat - 364001

Consumer Products Division

Salt Works & Refinery:
Kadinal Vayal, Vedaranyam,
Distt. Nagapattanam,
Tamil Nadu – 614707 Nemeli Road,
Thiruporur, Distt. Kancheepuram,
Tamilnadu – 603110

Textile Division:
Paravai, Samayanallur P.O,
Distt. Madurai, Tamil Nadu – 625402
Thiagesar Alai P.O, Manaparai,
Distt. Trichy, Tamil Nadu – 621312

Wind Energy Division
Muppandal, Village: Irukkandurai,
Post: Sankaneri, Taluk: Radhapuram,
Distt. Tirunelveli, Tamil Nadu
Village: Chinnaputhur,
Taluk: Dharapuram,
Distt. Erode, Tamil Nadu
Village: Kayathar, Distt. Tuticorin,
Tamilnadu.

Bankers / Financial Institutions

State Bank of India
Export Import Bank of India
HDFC Bank
Union Bank of India
Bank of Baroda
IDBI Bank
ICICI Bank
Axis Bank
HSBC Bank
CTBC Bank
Bank of Bahrain & Kuwait
Yes Bank

Details of Registrar and Share Transfer Agent

Link Intime India Private Limited,
C101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400083.
Tel No: +91 22 49186270
Fax: +912249186060
Email : rnt.helpdesk@linkintime.co.in

As per SEBI Circular dated January 5, 2023, company will send digital copy of the annual report to its shareholders and physical copy on demand.

Nurturing a better future

The overarching theme for our Integrated Annual Report (IAR) for FY 2022-23 is "Nurturing a Better Future." This theme encapsulates our unwavering commitment to achieving long-term and sustainable growth while taking full accountability for our actions and upholding our core values of

Respect, Trust, Ownership, and Integrated Teamwork.

At GHCL, we are dedicated to creating a better future through various means such as sustainable practices, innovation, employee development, community involvement, diversity and inclusivity, health and safety, governance, and digital transformation. Sustainability lies at the heart of our vision, values, and corporate culture, driving our purpose as an organization.

We have adopted a new approach to conducting business that considers the needs of all our stakeholders, including employees, communities, investors, vendors, customers, and the environment. We demonstrate resilience in the face of change and strive to prepare ourselves for the future, staying committed to our stakeholders, improving employee health and safety, and making a positive impact on the environment and society.

GHCL's focus is on maximizing stakeholder value by growing our business responsibly, with governance, sustainability, and core values forming the foundation. Our Corporate Social Responsibility (CSR) initiatives are channelled through the GHCL Foundation, which exemplifies our commitment to providing greater benefits to the community, environment, and business. We are taking significant steps towards sustainability by adopting green energy practices and aligning our portfolio with green targets. Our investments in Greenfield projects not only offer long-term growth advantages but also have a positive impact on the local community and help to preserve biodiversity. By prioritizing these initiatives, we are dedicated to creating a better and sustainable future for all our stakeholders.

Our commitment to sustainability serves as an inspiration for all stakeholders in the value chain to be future-ready by anticipating new challenges. We firmly believe that by acting responsibly and responding to the trust and needs of our stakeholders, we can build a more resilient future.

Through our efforts, we aim to have a positive impact on the environment, employees, customers, and the community while driving growth and success for GHCL. This integrated approach exemplifies our belief in the Sanatan Philosophy, which can be summarized by the following Sanskrit verse:

ॐ सर्वे भवन्तु सुखिनः।
सर्वे सन्तु निरामयाः।
सर्वे भद्राणि पश्यन्तु।
मा कश्चित् दुःख भाग्भवेत् ॥

About the report

We are pleased to present the 40th Integrated Annual Report of GHCL, offering a comprehensive overview of our financial and non-financial performance during the fiscal year 2022-23.

This report has been meticulously crafted to showcase our advancements in integrated management, providing a concise summary of our overall performance throughout the reporting period. It aims to facilitate a deeper understanding of our current business position and future viability for our readers.

The financial and statutory data presented in this report adheres to the requirements of the Companies Act, 2013 (including relevant rules), Indian Accounting Standards, and the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. We have prepared this report in accordance with the Integrated Reporting framework published by the International Integrated Reporting Council (IIRC), reaffirming our commitment to creating value for our stakeholders. It serves as a tool to articulate the actions taken and outcomes achieved through our financial, environmental, and societal initiatives and accomplishments.

This marks the fifth year of our journey in developing an Integrated Annual Report (IAR), wherein we outline our vision, strategy, business model, governance practices, and significant financial and non-financial achievements of the year. The reporting period for this IAR spans from April 1, 2022, to March 31, 2023. In this edition, we continue to provide clear and concise quantitative and qualitative disclosures. The report covers our performance across six key capitals: Financial, Manufactured, Intellectual, Natural, Human, as well as Social and Relationship. Additionally, it highlights our efforts in value creation for our stakeholders and addresses the risks, opportunities, and mitigation plans in the context of a rapidly evolving external environment.

Forward looking statements

It should be noted that certain statements made in this Integrated Annual Report (IAR) regarding our business operations may be considered forward-looking statements, as they involve risks and uncertainties. Words such as "anticipate," "believe," "estimate," "intend," "will," "anticipated," and similar expressions used in connection with the Company or its businesses are intended to identify forward-looking statements, which may be subject to change due to new information, future events, or other factors. Actual results, performances, achievements, risks, and opportunities may differ materially from those expressed or implied in such forward-looking statements.

Various important factors could impact the Company's operations, including economic conditions that affect demand, supply, and pricing dynamics in both domestic and international markets, fluctuations in raw material prices, changes in governmental regulations, labor negotiations, tax laws, and other statutory requirements, as well as economic developments within India and the countries in which the Company operates. Additionally, incidental factors such as the consequences of a global pandemic, and conflict between Russia and Ukraine which was prevalent for a significant portion of FY 2022-23, may also affect our operations.

The Company does not commit to publicly amend, modify, or revise any forward-looking statements in light of subsequent developments, information, or events. It is important to exercise caution when relying on forward-looking statements, as actual outcomes may differ from expectations due to various factors beyond our control.

Scope and boundary

The current edition of the Integrated Annual Report (IAR) encompasses the reporting period from April 1st, 2022, to March 31st, 2023. Building upon the previous year's report, the current edition provides comprehensive information on the environmental, social, governance, human resource (HR), safety, and other relevant aspects of GHCL's operations across its Soda Ash, Yarn, and Consumer Products divisions.

The report's scope includes data and insights from GHCL's manufacturing facilities involved in the production of Soda Ash, Yarn, and Consumer Products. Additionally, the report encompasses employee-related information, including data from our corporate office in Noida and marketing offices located throughout the country. We believe that this approach allows us to provide a holistic view of our operations and their impact.

By presenting this information in the IAR, we aim to transparently communicate our performance and progress to our valued stakeholders. We recognize the importance of engaging with our stakeholders in a meaningful and responsible manner, and the IAR serves as a vital tool in achieving this objective..

Assurance for FY 2022-23

The financial statements included in this report have been subjected to an independent audit conducted by S. R. Batliboi & Co. LLP, an esteemed firm of independent auditors. Their audit report provides assurance of the accuracy and reliability of the financial information presented.

Furthermore, to ensure the credibility and transparency of our non-financial statements, Ernst & Young Associates LLP has provided assurance on these statements. Their assessment offers confidence in the reliability and compliance of our non-financial disclosures.

In compliance with the Companies Act, 2013 (including the relevant rules), the Board of Directors of GHCL has approved the appointment of Dr. S Chandrasekaran, representing Chandrasekaran & Associates, Practicing Company Secretaries, New Delhi, as the Secretarial Auditors. They will conduct an audit to assess our compliance with applicable laws, regulations, and guidelines in relation to our secretarial practices.

Additionally, M/s R J Goel & Co. Cost Accountants, New Delhi, have been appointed as the Cost Auditors of GHCL Limited. They will conduct a comprehensive audit to evaluate our cost accounting records and compliance with cost accounting standards.

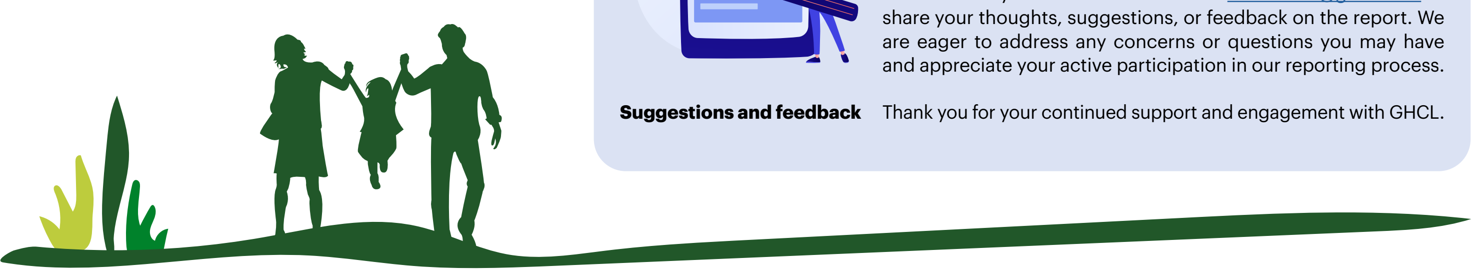
These audit appointments reflect our commitment to upholding the highest standards of corporate governance and financial integrity. We strive to ensure that our stakeholders can have confidence in the accuracy, transparency, and compliance of our financial and non-financial disclosures.

Suggestions and feedback

At GHCL, we consider your feedback invaluable in our commitment to transparent and effective reporting. As we publish our reports annually, we encourage you to share any queries, suggestions, or feedback you may have regarding the information presented in this edition. Your input allows us to continuously improve our reporting practices and ensure that we provide relevant and meaningful information to our stakeholders.

We welcome you to reach out to us at secretarial@ghcl.co.in to share your thoughts, suggestions, or feedback on the report. We are eager to address any concerns or questions you may have and appreciate your active participation in our reporting process.

Thank you for your continued support and engagement with GHCL.



Chairman's Message

Dear Esteemed Shareholders,

Warm Greetings and good wishes to all our shareholders. As I deliver this address, I am filled with immense pride when reflecting on GHCL's remarkable journey so far.

This year marks the 40th anniversary since the company's inception, and the growth so far gives us a lot of insights into our achievements, and the problems we encountered and how we overcame them.

The growth so far has been that we now have a capacity of 1.2 million MTPA tonnes of Soda Ash and 2.25 lacs ring spindles. We are committed to increase our green energy portfolio in our both the businesses and taken various initiatives. Additionally, we are proud to have been certified a "Great Place to Work" for seven consecutive years.

Dear shareholders, FY 2022-23 posed significant economic uncertainties, characterized by overlapping crisis that impacted economies worldwide. The global economic landscape, whatever problems they faced, high energy costs, food prices, mounting inflation rates etc. were mostly outside India and India was very well protected relatively from these adverse cycles of high inflation, high energy, high food price etc.

The western economy - European and American are facing economic slow-downs. However, India has still managed to have a growth rate of 6.1% because of its good governance, digitization and impactful policies.

The world is more or less getting used to calling this to be India's decade. The Leadership of global economy will start being driven by India and may be in a decade or so, India will be one of top economies in terms of growth and in terms of raising income of its people.

India's tremendous growth potential also positions it as a key player in meeting the world's increasing energy demand in the coming decades. Notably, in 2022, India added 17,000 MW of electricity capacity, with an impressive 92% contributed by the renewable energy sector. The Soda Ash industry will play a crucial role in fuelling India's and the World's renewable energy sector. Soda Ash, a vital raw material for components used in India's clean energy transition, is anticipated to experience an annual demand increase of 6.5% to 7%, driven by the growing adoption of clean energy applications such as solar, flue gas treatment, and lithium-ion batteries. To support India's renewable energy targets, production must be ramped up by 2.5 - 3 lakh MT every year to meet the rising demand.

We take immense pride in our contribution to India's growth story. During this year, we have undertaken a massive expansion of Soda Ash capacity and doubled our RBC production capacity. We also successfully completed the demerger of GHCL Textiles as of April 1, 2023, and they are now two distinct, sector-focused, separate operating entities. All shareholders of GHCL, as per the record date, have received shares of GHCL Textiles Limited in a 1:1 ratio, with plans for listing on both NSE and BSE post regulatory approvals.

In the Textiles business, we faced initial headwinds, but as demand has started to recover, business sentiment is expected to improve. With improved product basket allocations, focus on customer realignment, and operational excellence, our Textile business is optimally positioned for growth. Building on our ongoing investments to enhance our renewable energy portfolio, we added another 20 MW last year and have plans for an additional 15 MW expansion.

Dear Shareholders, as the Chairman of the Board of Directors of GHCL, I am thrilled to announce our Lignite and limestone mines have received 5-star ratings from the Ministry of Mines and have won seventeen awards in various categories. Notably, our lignite mine was the first lignite mine in Gujarat to receive this honour. We have also achieved the Gold award at the India Green Manufacturing Challenge by the International Research Institute of Manufacturing (IRIM).

Looking ahead, we are enthusiastic about the opportunities that lie before us. Our strategic roadmap includes forging key partnerships, further enhancing operational efficiencies and staying at the forefront of technological advancements.

In conclusion, I want to express my profound appreciation for your unwavering support and your confidence in the Company. We remain committed to transparency, open communication, and delivering long-term

I am thrilled to announce our Lignite and limestone mines have received 5-star ratings from the Ministry of Mines and have won seventeen awards in various categories.

value to our shareholders. Over the years, we have consistently demonstrated our commitment through reliable pay-outs. We are pleased to announce a dividend of Rs 17.50 per share for the year, the highest ever by our company.

We are happy that our shareholders are connected with us through our various communication channels and shareholder meetings, where we will keep you informed about our progress and we welcome your invaluable input.

Thank you once again for your trust and commitment to our shared success.

Sincerely,

Sanjay Dalmia
Chairman

Managing Director's Message

Dear Stakeholders,

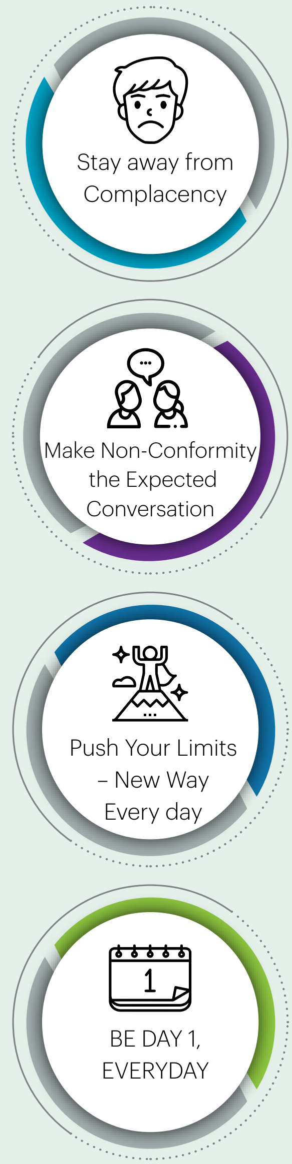
I am delighted to share with you the progress of GHCL Limited in the financial year 2022-23. As India is one of the fastest-growing economies in the world, we are optimistic about the several opportunities that lie ahead for us.

In the Soda Ash business, we are proud to have a market share of almost 26% in India, and we are expanding our capacity to fulfill the rising demand. We have planned a greenfield project to increase our total production capacity to 2.20 million MTPA in the next five to six years, which will make us the largest producer of Soda Ash in India. Additionally, we have doubled our RBC (Sodium Bicarbonate) capacity from 0.07 million MTPA to 0.12 million MTPA.

We are actively working on augmenting backward integration of raw materials, specifically salt, to enhance our self-reliance and also setting up a new project to produce vacuum salt at our existing plant in Sutrapada. This strategic step will strengthen our supply chain and ensure a reliable source of raw material for our operations.

We are committed to being an environmentally conscious organization and are taking necessary measures to reduce carbon emissions. In the Soda Ash division, we are planning to add 6.7 MW of renewable energy projects and have started co-firing biomass to reduce emissions.

The textiles sector is an essential part of the Indian economy, and we are proud to contribute to its growth. Our textiles business has an installed capacity of 2.25 lacs spindles, and we are planning to install an additional 40,000 spindles with an investment of Rs. 250-300 Cr.. We are committed to increasing our green footprint in this business and have commissioned a 20 MW solar power project in Musiri. Additionally, a 10 MW on-ground solar power project is under installation in Ottapidaram, Tuticorin District, Tamil Nādu, along with a 5.4 MW rooftop solar power project in Manaparai plant. We aim to increase our renewable energy consumption to 80% to 85% of the total consumption in the future. Effective from April 1, 2023, the yarn business is demerged pursuant to order of Hon'ble NCLT Ahmedabad.



As an organization, we recognize the paramount importance of prioritizing the overall wellbeing of our employees.

We have embraced seven success mantras, which include becoming early starters, being our own competition by continuously surpassing ourselves, drawing a vision board, avoiding complacency, fostering non-conformity as the norm, pushing our limits daily, and maintaining a "Day 1" mindset each day, all aimed at building a high-performance organization and nurturing a healthy organizational culture.

Keeping in view of our mission statement Responsibly maximising stakeholders value" and our Vision 'to grow our business responsibly, with governance, sustainability and core values as our foundation, we have prioritized our focus on stakeholders' engagement, risk management, corporate social responsibility, employee engagement, climate change initiatives and renewable energy focus.

We strongly believe in the importance of stakeholder engagement and actively seek input from our stakeholders. Through regular interactions such as the Annual General Meeting, quarterly earnings calls, investor conferences, and other communication channels like press releases, newsletters, and updates on our website, we ensure open and transparent communication with our stakeholders. This engagement allows us to understand their concerns, address any issues, and incorporate their feedback into our decision-making processes.

Managing risks is a critical aspect of our business strategy. We have implemented robust risk management practices that involve identifying, assessing, and mitigating risks across our operations. Our dedicated risk management team continuously monitors and evaluates potential risks and implements necessary measures to minimize their impact. Through regular risk assessments and proactive measures, we strive to safeguard our business and protect the interests of our stakeholders.

We aim to increase our renewable energy consumption to 80% to 85% of the total consumption in the future. Effective from April 1, 2023

We consider CSR to be an integral part of our business. We have established a comprehensive CSR program that focuses on creating a positive impact on society. Our initiatives encompass areas such as education, healthcare, agriculture, livelihood support, and environmental conservation. By actively engaging with communities, conducting impact assessments, and collaborating with relevant stakeholders, we ensure that our CSR activities align with the needs and aspirations of the communities we operate in.

Our employees are the backbone of our organization, and we prioritize their engagement and well-being. Through various initiatives like MD Speaks town hall meetings, shop floor meetings, GHCL TEA (Think, Experiment, and Adopt), MILAP (Medium for Interactive, Lateral, and Actionable Partnership), DISHA meetings, and regular publications and newsletters, we foster a culture of open communication, encourage innovation, and provide opportunities for growth and development. We believe that engaged employees contribute to our overall success.

We have adopted waste reduction measures across our operations. For instance, in our Soda Ash segment, we have implemented the Plastic Waste Management (PWM) Program, collaborating with M/s. Shakti Plastics Industries to collect and safely dispose of plastic waste. Additionally, we recycle waste cotton in our Yarn division and utilize fly ash waste generated by boilers to make bricks and paver blocks. These initiatives align with our commitment to environmental sustainability and waste management.

Further, we have invested in renewable energy projects such as solar power plants and wind farms for textiles and soda ash both , which enable us to harness clean and sustainable energy sources. This not only helps reduce our reliance on conventional energy sources but also contributes to the overall reduction of greenhouse gas emissions. We prioritize water conservation at all our business units.

We at GHCL shall have our endeavour to follow the philosophy of **संगच्छध्वं संवदध्वं सं वो मनांसि जानताम्। देवा भागं यथा पूर्वे सञ्जानाना उपासते।।** [This means Come together, speak together, let our minds be of one accord.] As the ancient gods shared their portion in harmony, so may we share our thoughts and goals.]. This Sanskrit shloka reflects the essence of collaboration, unity, and shared vision, which are integral to our approach of stakeholder engagement, risk management, promoting CSR, employee engagement, addressing climate change, prioritising renewable energy, water conservation and waste reduction

Thank you for your continued support, and we look forward to your feedback and suggestions.

Sincerely,

Ravi Shanker Jalan
Managing Director

CFO & Executive Director (Finance) Message
Raman Chopra

Dear Stakeholders,

I am pleased to share with you our commitment to sustainability and the progress we have made in aligning our business strategy with the core principles of sustainability.

At GHCL, we firmly believe that sustainability is at the root of our growth and business strategy, and we have identified four pillars that guide our efforts: Responsible Stewardship, Social Inclusiveness, Promoting Relationships, and Adding Value. As our business expands, we acknowledge the increasing demand for energy to support our intensive production processes across multiple manufacturing facilities. Recognizing the environmental impact of higher energy requirements and greenhouse gas emissions, we have leveraged our decades of intellectual experience to develop transition pathways towards low-carbon operations. We have embraced super energy-efficient technologies and practices while significantly increasing our renewable energy installations. Our senior management team is fully dedicated to leading this transition towards sustainable manufacturing, aiming to leave the lowest possible carbon footprint in the years to come.

We firmly believe that our green transition pathways will not only reduce our environmental impact but also improve the quality of life for communities residing near our facilities. By consuming fewer natural resources and emitting fewer pollutants, we aim to enhance the livelihoods of the inhabitants in the vicinity of our operations.

Our upcoming greenfield facility, the 'Soda Ash Project,' aligns with the '**आत्मनिर्भर भारत (Atma Nirbhar Bharat)'** initiative launched by Hon'ble Prime Minister Shri Narendra Modi and focuses on self-reliance and sustainable production. With an estimated project outlay of Rs. 4500 Cr., the facility will be constructed using state-of-the-art manufacturing technologies in the Bada Village of the Mandvi Taluka in the Kutch region. This project is a result of our participation in the esteemed annual summit, the 'Vibrant Gujarat Summit-2017,' where we signed an MoU with the state government of Gujarat. The Soda Ash Project will create over 5,000 direct and indirect employment opportunities, contributing to the betterment of people's lives.

Our new facility will have a production capacity of 0.50 million MTPA of soda ash to begin with, employing the latest technological advancements and efficient water management systems. We will utilize seawater intake processed through Reverse Osmosis (RO)/Demineralized Water (DM) systems and implement effective effluent disposal systems. Located in a remote region, this project will not only enhance the economic growth of the area but also empower local communities. As part of our Corporate Social Responsibility (CSR) policy, we will work closely with the local government and the collectorate office to implement various socio-economic projects

we are committed to raising our climate ambition by joining the league of leading international corporations committed to the 1.5°C pathway outlined by the Science Based Targets initiative (SBTi).

and initiatives for the transformation of the local communities. We have set ambitious targets for increasing our usage of renewable energy in the production of 'green Soda Ash,' thereby minimizing our carbon footprint. The growing demand for Soda Ash, particularly for its contribution to the production of solar glass, lithium batteries, aligns with the emerging era of renewal solar energy electric vehicles and energy storage systems.

Looking ahead, we remain fully committed to supporting the UN's Global Compact and Sustainable Development Goals. Furthermore, we are committed to raising our climate ambition by joining the league of leading international corporations committed to the 1.5°C pathway outlined by the Science Based Targets initiative (SBTi). This partnership between CDP, United Nations Global Compact, World Resources Institute (WRI), and World-Wide Fund for Nature (WWF) signifies our dedication to driving meaningful change in the pursuit of a sustainable future.

> The Soda Ash Project will create over 5,000 direct and indirect employment opportunities, contributing to the betterment of people's lives.

We at GHCL would like to be true to our belief of **असतो मा सद्गमय। तमसो मा ज्योतिर्गमय।मृत्योर्मा अमृतं गमय।।** [Hay Ishwar, Lead us from falsehood to truth, from darkness to light and from death to immortality] . This Vedic mantra signifies our commitment to sustainability and the journey of transformation. It reflects our aspirations to move away from unsustainable practices, if any and ignorance. Instead, we seek truth, enlightenment, and a future where our actions contribute to the well-being of the planet, its inhabitants, and future generations.

Thank you for your continued support as we strive to create a better and more sustainable world.

Sincerely,

Raman Chopra
CFO & Executive Director (Finance)

Achievements at a glance

Honours and accolades

Gold Award at the Indian Green Manufacturing Challenges

Limestone Mines Achieved Five-Star Rating from Indian Bureau of Mines

Awarded by 3R for excellence in waste management

Gold Award at the Indian Green Manufacturing Challenges

Certified India's Best Workplaces in Manufacturing 2023- Top 50

Performance snapshot

Almost 4 decades in industry

Finance Capital

Rs. 1092.39 Cr

Profit After Tax

Rs. 4584.05 Cr

Total revenue

Human Capital

16,000+

Training person hours

36%

Female workforce representation

7th

Consecutive year as Great Place to Work ranked under Top 50 Manufacturing sector

Manufactured Capital

Karthigai

New spinning unit at Yarn division

Rs. 350 Cr

Total Capex - Chemicals & Yarn

Natural Capital

72%

Power requirement of the Yarn division is met through renewable energy

32%

Reduction in specific freshwater consumption since FY'19

Intellectual Capital

1,274

Kaizens implimented

Social & Relationship Capital

1 Lacs+

CSR beneficiaries

Rs. 12.31 Cr

CSR Spent

Introducing GHCL

GHCL Limited, a leading industrial conglomerate, is driven by its vision of responsible growth, guided by Governance, Sustainability, and Core Values. With a strong market capitalization of over ₹4,813 Cr., we have established ourselves as a well-diversified group with a presence in the Chemical and Spinning business sectors for more than three decades. Our primary focus is on sustainable growth and maximizing value for our stakeholders.

We are committed to achieving our vision by striking a harmonious balance between economic, environmental, and social objectives. To contribute to a sustainable future, GHCL has taken significant steps towards incorporating green energy practices and implementing growth strategies that align with our green portfolio targets. We are well-positioned to seize emerging opportunities across the sectors we operate in.

The recent divestments have provided us with proceeds that will be strategically utilized to support our growth strategy in both the Chemicals and Spinning Businesses. On February 8, 2023, the Hon'ble NCLT Ahmedabad bench approved the Scheme of Arrangement for the demerger of our Yarn business into a separate company named GHCL Textiles Limited. We have received the certified copy of the order on March 14, 2023, and the effective date of the demerger is April 1, 2023. GHCL Textiles Limited will be listed on both the BSE and NSE exchanges.

As we move forward, we remain committed to our vision of responsible and sustainable growth. Our dedicated team and robust strategies ensure that we continue to deliver value to our stakeholders while making a positive impact on the environment and society.

Products portfolio of the Company

Chemicals Business

N N Radia

Dear Stakeholders,

At GHCL, we hold ourselves to the highest standards when it comes to our business practices, particularly in our production processes. As we strive for excellence, we employ state-of-the-art machinery to ensure the production of top-quality products while also reducing carbon emissions. Safety is a top priority for us, and we continuously work towards improving safety standards within our factory premises.

Recognizing the importance of sustainability as a core business strategy, we have come to realize that it not only mitigates risks but also provides us with a competitive edge. With the global shift towards a low-carbon economy, we are actively developing decarbonization plans and investing in innovative solutions to align with this transition.

Furthermore, ensuring the safety of our employees and the protection of our assets is of utmost importance. We have implemented comprehensive safety practices and protocols across our factories, with a continual focus on strengthening our overall safety measures. Our commitment to a safe working environment remains unwavering, and we are dedicated to preventing any untoward incidents within our facilities.

By integrating sustainability, quality, and safety into our operations, we are poised to excel in the industry while minimizing our environmental impact and safeguarding the well-being of our workforce. Together, we are driving positive change and setting new benchmarks for responsible and sustainable manufacturing.

We at GHCL believe in the philosophy of **योगः कर्मसु कौशलम्** means excellence is achieved through skillful actions. This Sanskrit quote captures the essence of striving for excellence in our business practices. It emphasizes the importance of skillful and efficient action, which aligns with our commitment to employing state-of-the-art machinery and adopting innovative solutions. By embracing sustainability, quality, and safety, we aim to excel in our industry while creating a positive impact on the environment and ensuring the well-being of our workforce.

Sincerely,

N N Radia
Chief Operating Officer
Soda Ash Plant

About the Soda Ash and its manufacturing process

We take pride in being one of the leading manufacturers of Soda Ash (Anhydrous Sodium Carbonate) in India, renowned for our brand "LION." The production process of Soda Ash at GHCL involves the utilization of various raw materials and fuels, including limestone, salt, coal, coke, ammonia, lignite, power, and water. Through careful selection and proper blending of these materials, we ensure optimal efficiency in our operations and maintain the highest quality standards for our products.

At GHCL, our Soda Ash is produced through a continuous process that employs limestone and salt. In this process, limestone and coke are mixed in specific proportions and introduced into a vertical lime kiln, where they are burned using combustion air at temperatures reaching 1000 degree centigrade. As a result, the limestone undergoes decomposition, yielding lime (CaO) and Carbon dioxide gas. The lime produced is then finely ground to achieve an effective size of 0.150 mm.

The kiln gas is directed to the compressors for carbonation, while salt is conveyed to the wash column for purification using raw water. Subsequently, the salt is dissolved in raw water to create a brine solution. To remove residual impurities such as calcium and magnesium compounds from the brine, it is treated with milk of lime and soda ash. The purified brine is then passed through packed towers, where it is combined with ammonia obtained from the distillation plant, resulting in ammoniated brine.

The carbonation process takes place in the carbonating tower, where the ammoniated brine is combined with compressed CO_2 and CO_2 recovered from Soda Ash calciners. The tower's temperature is regulated through the circulation of seawater and chilled water. The reaction occurring in the carbonating tower can be represented as follows:

$$NH_3 + CO_2 + NaCl \longrightarrow NaHCO_3 + NH_4Cl + \text{Energy}$$

As a result of this reaction, Sodium Bicarbonate ($NaHCO_3$) precipitates as a sparingly soluble substance, while NH_4Cl and other salts remain in the mother liquor in a dissolved state. The resulting bicarbonate slurry, known as magma, is filtered using rotary vacuum filters, and the separated bicarbonate is washed with fresh water to remove any trace impurities. The crude bicarbonate obtained is then decomposed in a rotary tube steam-heated calciner, resulting in the formation of soda ash (Na_2CO_3) and CO_2. The CO_2 is scrubbed, cooled, and recycled to the CO_2 compressors, while a portion of the product undergoes densification, and the remaining soda ash is cooled and prepared for packing.

Soda Ash serves as a crucial raw material in various industries such as detergents, glass, ceramics, and sodium bicarbonate production (baking soda). It is available in two grades: light and dense soda grade. In addition to Soda Ash, we also manufacture refined Sodium Bicarbonate, which is essential for industries such as bakery, pharmaceuticals, fire extinguisher manufacturing, and cleaning agents.

Currently, our Soda Ash production capacity stands at 1.2 million MTPA at our facility in Sutrapada, Gujarat. and, we have doubled our RBC (Sodium Bicarbonate) capacity from 0.07 million MTPA to 0.12 million MTPA at the same location. The Sodium bicarbonate finds applications primarily in tanneries, pharmaceuticals, food processing, animal feed, and chemicals. Ongoing research is being conducted to explore the possibilities of utilizing sodium bicarbonate in flue gas treatment, which has the potential to be a game-changer if successful. Further, we have ambitious plans for a greenfield Soda Ash project in Kutch, Gujarat, with an initial capacity of 0.5 million MTPA, expected to commence operations by 2026.

We are also actively exploring opportunities for growth through brownfield expansions and the addition of bulk chemicals to our portfolio. Currently, GHCL caters to approximately 26% of the domestic demand for Soda Ash. Furthermore, we have access to captive limestone mines in Sutrapada, Veraval, and Talala Taluka in the Gir Somnath district of Gujarat, as well as a salt pan in Port Victor.

At GHCL, we remain committed to delivering exceptional quality Soda Ash, advancing our production processes, and exploring avenues for sustainable growth while meeting the evolving needs of our customers.

Products Portfolio of the Company contd...

Our products in this segment

Dense Soda Ash

Soda Ash dense is an anhydrous substance that finds wide application in the manufacturing of industrial chemicals. It is synthetically produced through the solid-phase water method. With a density exceeding 0.9g/cc, Soda Ash dense is primarily derived from sodium chloride (salt) and limestone in large-scale production processes.

The versatile nature of Soda Ash dense makes it an essential ingredient in various industries. It plays a crucial role in the manufacturing of powdered detergents, where it acts as a key component for enhancing cleaning efficiency. Additionally, it serves as a vital reagent in chemical processes and industrial cleaning applications.

Soda Ash dense also finds application in water treatment formulations as a water softener. Its ability to adjust the pH level of swimming pools makes it a valuable asset for maintaining optimal water conditions. Moreover, in the realm of glass manufacturing, Soda Ash dense serves as a crucial reagent, contributing to the formation and quality of glass products.

At GHCL, we recognize the significance of Soda Ash dense and its diverse applications. As a leading manufacturer, we strive to ensure the highest quality standards in our production processes, enabling us to provide a reliable supply of Soda Ash dense for various industries and their specific requirements.

Light Soda Ash

Soda Ash light, a low-density variant of sodium carbonate, holds significant importance in various industries and applications. At GHCL, we produce Soda Ash light using the chemical synthesis method, ensuring its consistent quality and performance. With a density of approximately 0.7g/cc, it offers unique properties that make it a vital component in the manufacturing of diverse essential products.

The versatility of Soda Ash light is reflected in its wide range of applications across industries. It serves as a fundamental alkali chemical, playing a crucial role in the production of detergents, contributing to their cleaning efficacy. Furthermore, it finds extensive usage in casting industries, oil refineries, chemicals, soaps, textiles, paper manufacturing, food processing, and the production of various sodium compounds.

The exceptional properties of Soda Ash light enable it to act as a key ingredient in these industries, facilitating essential processes and ensuring the quality of end products. Its diverse applications make it an indispensable component in various manufacturing processes, enabling the creation of high-quality goods.

At GHCL, we recognize the significance of Soda Ash light and its vital role in different sectors. By employing rigorous quality control measures and employing efficient production techniques, we consistently deliver Soda Ash light that meets the stringent requirements of our customers.

We remain steadfast in our commitment to sustainable growth and value creation, aligning our practices with responsible stewardship, social inclusiveness, promoting relationships, and adding value. Through our continued efforts, we strive to enhance our operations, minimize environmental impact, and contribute to a sustainable future.

Installed capacity of

1.2 million MTPA

for Soda Ash manufacturing at Sutrapada, Gujarat

0.12 million MTPA

of refined Sodium Bicarbonate (Baking Soda) at Sutrapada, Gujarat

Sodium bicarbonate

Sodium bicarbonate, an essential compound derived from light Soda Ash, finds extensive application across diverse industries. At GHCL, we produce sodium bicarbonate through a meticulous manufacturing process, ensuring its high quality and reliability. This versatile compound serves as a crucial ingredient in numerous sectors, including food, food dyes, cleaning applications, metal blasting, chemical manufacturing, pharmaceuticals, oral care products, deodorizers, and personal care products.

In the food industry, sodium bicarbonate plays a key role as a leavening agent in baked goods, contributing to their rise and texture. It is also utilized as a pH regulator and buffering agent, enhancing the taste and quality of various food products. Additionally, sodium bicarbonate finds application in food dyes, enabling the development of vibrant and visually appealing food items.

Beyond the food industry, sodium bicarbonate demonstrates its versatility in cleaning applications, where its mild abrasive and alkaline properties make it an effective cleaner for various surfaces and materials. It is widely used in household cleaning products, as well as industrial cleaning applications.

Moreover, sodium bicarbonate serves as a blasting agent for metals, providing a gentle and effective method for surface preparation and cleaning. Its non-toxic nature and ability to dissolve in water make it a preferred choice in blasting applications.

In the chemical manufacturing sector, sodium bicarbonate is utilized as a key ingredient in the production of various chemicals, contributing to the formulation and synthesis of different compounds. Its properties as a mild alkaline substance enable its application in the pharmaceutical industry, where it serves as an active ingredient in antacids and as a pH adjuster in various medications.

Furthermore, sodium bicarbonate finds its place in oral care products, such as toothpaste and mouthwash, due to its ability to neutralize acids and provide a refreshing effect. It is also utilized in deodorizers and personal care products for its odor-neutralizing and pH-regulating properties.

At GHCL, we understand the significance of sodium bicarbonate in multiple industries and are committed to delivering a superior product that meets the stringent requirements of our customers. By adhering to stringent quality standards and employing advanced manufacturing techniques, we ensure the reliability and performance of our sodium bicarbonate.

Key differentiators

- **Single largest Soda ash plant in India at a single location**
- **Limestone (25% captive) and Salt (35% captive) mine located within 40 km distance**
- **Best in class productivity**
- **Soda Ash B2B to B2C with supply chain existence**
- **Innovated from coke to briquette coke for cost optimisation**
- **Strategic control over fuel (Only Company having its own lignite mines)**
- **Expertise and Specialisation of 30 years**
- **Focus on cost competitiveness Quality circle**

Products Portfolio of the Company contd...

At GHCL, our leadership is committed to driving operational excellence through a range of initiatives. With our extensive experience in the bulk chemicals business, we have established ourselves as pioneers in the industry. However, we recognize the importance of diversifying our revenue streams and actively exploring opportunities in adjacent chemistries.

One such value-added product that we offer is sodium bicarbonate, which finds applications in diverse sectors such as tannery, pharmaceuticals, food, chemicals, and animal feed. Currently, we are conducting trials to assess its effectiveness in flue gas treatment. Once scientifically approved, this breakthrough will revolutionize the demand trajectory, positioning us at the forefront of this game-changing development.

To ensure sustainable growth and profitability, we are dedicated to targeting the right set of customers within the industry, providing them with tailored products and solutions. This strategic approach allows us to mitigate pricing fluctuations and maintain healthy profit margins.

Central to our business philosophy is the concept of customer centricity. We prioritize proactive direct Customer Relationship Management initiatives and place utmost importance on customer satisfaction. By fostering strong relationships with our customers, we can better understand their needs and deliver products that exceed their expectations. This, in turn, enables us to achieve a considerable domestic market share and drive market development.

Our commitment to creating value for all stakeholders is unwavering. We continuously strive to enhance product attributes to meet the evolving demands of consumers. Through ongoing product development, operational enhancements, and effective marketing strategies, we ensure that our offerings remain competitive and aligned with market trends.

Building effective communication channels with our major stakeholders is a priority for us. We have established successful communication frameworks across various media platforms and implemented a robust feedback mechanism to address any concerns or inquiries from our customers. By fostering open and transparent communication, we strengthen trust and collaboration, driving mutual growth and success.

At GHCL, we remain steadfast in our pursuit of excellence. Our leadership team is dedicated to driving innovation, operational efficiency, and customer satisfaction. Together with our stakeholders, we are forging a path towards a sustainable and prosperous future.

Our presence

Map not to scale. Only for representation purpose

Mining sites

- Lignite mines at Khadsaliya, Bhavnagar district of Gujarat
- Limestone mines at Sutrapada, and Talala Taluka of Gir-Somnath district in Gujarat

Manufacturing sites

- Manufacturing unit of Soda Ash is based at Sutrapada, Gujarat with annual production capacity of 1.2 million MTPA
- Over and above, the plant also produces 0.12 million MTPA of refined Sodium Bicarbonate (Baking Soda)

Yarn Business

R Balakrishnan

Dear Stakeholders,

The textiles sector is poised for significant growth, presenting favorable market conditions. Governments around the world are actively supporting the domestic textile industry through the introduction of new policies and schemes. In India, the government has implemented various initiatives, including allowing 100% foreign direct investment (FDI) in the sector under the automatic route. These measures are expected to further stimulate the growth of the textile industry.

The global cotton yarn market, a key component of the textile sector, exhibited a positive trajectory. In 2022, the market was valued at USD 94.40 billion, and it is projected to grow to USD 100.68 billion by 2028, representing a compound annual growth rate (CAGR) of 4.0% during the period from 2023 to 2028.

In the yarn segment, we prioritize the production of value-added products and emphasize quality. Sustainability is deeply ingrained in our operations, and we have taken various initiatives to promote green energy, reduce waste, enhance supply chain management, engage stakeholders, support afforestation, promote gender diversity, and prioritize corporate social responsibility (CSR) initiatives. Furthermore, we prioritize the health and safety of our workforce and have invested in modern plants and machinery to ensure their well-being.

Our capacity expansion plans are progressing as scheduled, and we are committed to maintaining our focus on capacity building, expanding our product portfolio, developing value-added products, and prioritizing sustainability initiatives. As part of our commitment to sustainability, we derive 72% of our energy consumption from renewable sources, with a significant portion being generated through captive generation.

In our Yarn business, we will continue to drive our growth strategy by enhancing our production capabilities, diversifying our product offerings, and maintaining a strong emphasis on sustainability. Our approach will be guided by the philosophy of **यथा नदी सर्वगाः सिन्धुर्विष्यन्ति सागराम्बुधीन्द्रवत्सर्वेषां चित्तानां श्रेयसे तथा विद्याविनयसम्पन्ने ब्राह्मणे गवि हस्तिनि।।** [means - Just as all the rivers merge into the ocean, losing their individual identities, similarly, the minds of all individuals with knowledge and humility merge into the exalted state of Brahman (the ultimate reality) regardless of their backgrounds, just as cows, elephants, and horses merge together.

This shloka signifies the interconnectedness and convergence of various elements towards a common goal. In the context of the textile sector, it reflects the favorable market conditions, global growth projections, and the alignment of governments, businesses, and stakeholders towards supporting and nurturing the industry. It also emphasizes the importance of wisdom, virtuous actions, and sustainability, which are integral to our operations in the textile sector.

Sincerely,

R Balakrishnan
CEO Yarn

Products Portfolio of the Company contd...

GHCL's Yarn division has established itself as a reliable manufacturer and supplier of a wide range of yarns. We have embraced global standards and international best practices, positioning ourselves as a leader in the industry. Our transition from the commodity space to the value-added segment has been a significant milestone. We now specialize in producing premium yarns, including GIZA, SUPIMA, Australian, and CmiA yarns, catering to both domestic and international markets.

We continuously strive to meet the specific demands of our customers and deliver the right products to the right markets. To further enhance our offerings, we are expanding our product portfolio to include more premium products. Currently, our production capacity stands at approximately 0.038 million MTPA. Currently we are operating with 2.25 lacs spindles, 3,320 routers, 5760 TFO drums and 5 Air Jet spinning machines. Our manufacturing infrastructure boasts state-of-the-art textile machinery, including renowned brands such as Rieter, Trutzschler, LMW, KTTM, Suessen, Uster, Muratec, Saurer Schlafhorst, Savio, SSM and etc..

Aligned with our company's mission of providing value to all stakeholders, we place a strong emphasis on sustainable and quality business practices. We are committed to conducting our operations in an environmentally responsible manner and ensuring the highest product quality. As we look ahead, the Yarn division of GHCL has ambitious plans for major expansion in the coming years.

Our yarns are sold to a diverse range of customers, both in the domestic and export markets. Our exports primarily target countries such as Italy, Sri Lanka, Bangladesh, Germany, and other South Asian nations.

By leveraging our expertise, manufacturing capabilities, and commitment to sustainability, we are well-positioned for continued growth and success in the yarn industry.

The four pillars strategies for Yarn business is focussed to innovation, sustainability, traceability and giving back to the society.

Our presence

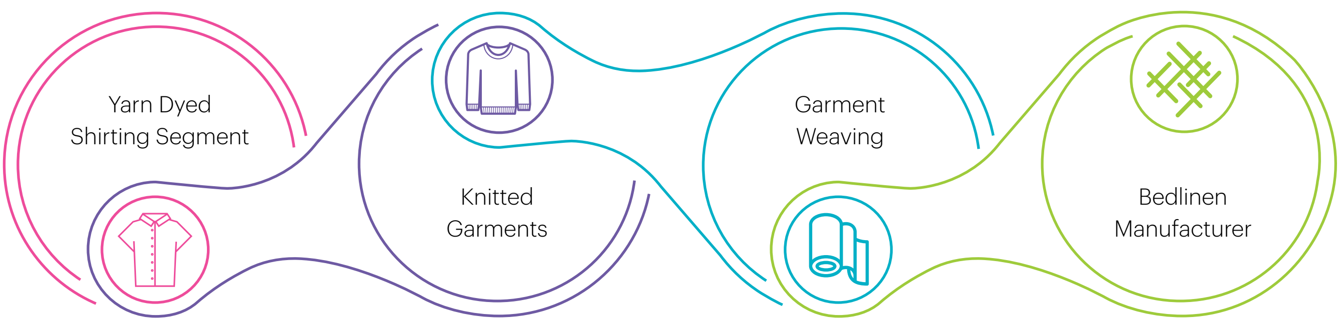
Our Yarn operation sites are in Paravai, Madurai district and Manaparai, Tiruchirappalli district in Tamil Nadu.

Map not to scale. Only for representation purpose

Our Yarn products offering

Yarn Type	Range
100% cotton combed compact hosiery yarn from Indian, US and Australian Mix	25s to 60s
100% cotton combed compact yarn from Indian, US, Australian, Supima and Giza Mix	30s to 170s
Polyester /Cotton & Cotton/Polyester blended Hosiery yarn	25s to 40s
PV/PC/100% Polyester normal and Fancy yarns	25s to 70s
100% cotton open end yarn	10s to 32s
100% VSF Vortex and Ring Spun Yarn	30s to 40s
Micro Modal, Tencel and its blend yarn	40s to 80s
100% Cotton TFO yarn in all Mix	2/30s to 2/170s

End users for Yarn segment



CPD

Sunil Singh

Dear Stakeholders,

We have cultivated a culture of growth in our business, embracing sustainable practices as a cornerstone of our operations. We are dedicated to ensure customer satisfaction and timely product delivery, with a strong focus on enhancing customer serviceability and minimizing any disruptions to their experience.

At the heart of our operations is a commitment to sustainability. We ensure that at our Consumer Product Division, adhere to our sustainability principles, driving us to continually evolve and become responsible stewards of the environment. By integrating sustainable practices into every aspect of our business, we strive to create a positive impact on the planet and the communities we operate in.

With a strong focus on growth and sustainability, we remain dedicated to fostering a culture of innovation and continuous improvement. Through ongoing efforts to reduce our environmental impact, promote employee safety, and enhance operational efficiency, we aim to be at the forefront of responsible business practices. By embracing sustainability as a guiding principle, we are not only contributing to a greener future but also positioning ourselves for long-term success in an increasingly conscious and competitive market.

Our approach at Consumer Product Division shall be guided by the philosophy of **य: पश्यति श्रेय: सुखं च लोके, न कर्तव्यं तद् अपि न चेत् आत्मन:।** means One who perceives both prosperity and happiness in the world and the well-being of oneself should act accordingly. This statement encourages individuals and businesses to pursue actions that bring both prosperity and happiness. It emphasizes the importance of considering the well-being of oneself and others while conducting business

Sincerely,

Sunil Singh
CPD Head & VP - Soda Ash Marketing

About the Consumer Product Division

In 1999, our Edible Salt and Crystal Salt divisions were integrated into the Customer Product Division. Since then, we have been actively involved in the production and trading of high-quality edible salt. With an expansive salt works spanning over 3,220 acres in Vedaranyam, Tamil Nadu, we have established ourselves as a prominent supplier of iodised edible salt in South India.

Our flagship brand, i-Flo, embodies our commitment to providing customers with exceptional products and a delightful brand experience. With i-Flo, our aim is to offer customers the dual advantage of superior quality and an unparalleled brand experience.

As one of the largest manufacturers of raw salt, we boast a production capacity of 0.2 million MTPA depending upon the weather conditions. Additionally, we operate an edible salt refinery in Chennai and also produce industrial-grade salt in Vedaranayam. Our brand i-Flo and Sapan encompasses a diverse range of edible salts, including Triple Refined Iodized Salt, Iodized Crystal Salt, and Iodized Refined Salt, catering to the varying needs and preferences of our customers.

Through stringent quality control measures and continuous innovation, we ensure that our edible salt products meet the highest standards of purity and nutritional value. Our dedication to providing customers with the finest quality salt products has made us a trusted choice in the market.

With our comprehensive range of i-Flo edible salts and unwavering commitment to excellence, we strive to exceed customer expectations and contribute to their overall well-being.

Our Presence

Manufacturing Sites

- Salt pans are located at Vedaranyam, Tamil Nadu
- Salt Distillery is in Tirupurore, Tamil Nadu
- Located in Chennai, salt refinery has a production capacity of 0.1 million MTPA of edible salt

Our product in this segment

Embedding sustainability

Mission, Vision, and Core values

At GHCL, our overarching goal is to create a sustainable future by aligning our actions with our mission, values, and vision. We firmly believe that thriving businesses must not only maximize value for their stakeholders but also do so in a responsible manner that considers the entire value chain.

To bring about positive change, we are dedicated to continuously improving and innovating in all aspects of our operations. Our commitment to building a safer work environment is unwavering, as we prioritize the well-being and safety of our employees.

In line with our sustainability objectives, we are actively transitioning to greener energy alternatives to minimize our environmental impact. By adopting renewable energy sources and reducing our carbon footprint, we strive to contribute to a cleaner and healthier planet. We also recognize the importance of community engagement and the integral role it plays in our long-term success. We are dedicated to uplifting the communities we operate in by supporting social initiatives and creating opportunities for growth and development.

At GHCL, we uphold core values such as **Respect, Trust, Ownership, and Integrated Teamwork.** These values serve as the foundation for our actions, guiding us in our pursuit of our broader vision. As we continue on our journey towards sustainability, we remain committed to creating a better world for all i.e. कृण्वन्तो विश्वमार्यम्, leaving a positive legacy for future generations. Together with our stakeholders, we are determined to make a meaningful impact and contribute to a brighter and more sustainable future.

MISSION

Responsibly maximising stakeholder value

VISION

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

Respect
परस्पर देवो भव:
Thoughtful and show regards for people and environment

Trust
विश्वस्त: तथा च स्वात्मानम जानीहि
Confidence in each others capabilities and intentions.

Integrated Teamwork
योग: कर्मसु कौशलम
Fostering a culture of cooperation and collaboration

Ownership
लोका: समस्ता : सुखिनों भवन्तु
Take responsibilities of own decisions and actions for the larger interest of the society and environment

CORE VALUES

At GHCL, we hold a deep conviction that by prioritizing the well-being of people and the planet, we can create a positive impact on both individuals and the environment in which we operate. We place immense trust in the capabilities and dedication of our fellow workers, firmly believing that they will carry out their responsibilities with utmost commitment.

Open and transparent communication has been instrumental in fostering a culture of trust and collaboration within our organization. By nurturing a positive and inclusive environment, we have developed strong bonds and mutual respect among our team members.

We firmly believe that embracing sustainability stewardship not only aligns with our values but also brings tangible benefits to our business. It is our belief that by integrating sustainability into our operations, we can drive profitability, achieve revenue growth, enhance our reputation, boost workforce engagement, reduce employee turnover, and gain easier access to capital.

With a steadfast commitment to responsible business practices, we strive to achieve our organizational goals while upholding principles of governance, sustainability, and our core values. By adhering to these principles, we ensure that our actions are in harmony with our broader vision of creating a sustainable future for all.

At GHCL, we understand that profitability and sustainability go hand in hand, and we are dedicated to maximizing both. By operating our business with integrity, focusing on sustainability, and staying true to our core values, we are confident that we can achieve long-term success while making a positive difference in the world.

Sustainability Vision 2023

Bhuwneshwar Mishra

Dear Stakeholders,

At GHCL, we firmly believe that sustainability and governance are integral to the success of our organization. Our objective is to achieve maximum returns while ensuring a sustainable future for the company and the communities we serve. We understand that being sustainable encompasses various aspects, including the societal benefits of our products, socially and environmentally sustainable production processes, sustainable value chains involving suppliers and customers, and being a responsible corporate citizen.

To instil a culture of sustainability, we have actively engaged our functional heads in designing and developing a comprehensive sustainability framework. We recognize that implementing effective sustainability practices not only improves the profitability of the company but also enhances our credibility among stakeholders. Communication plays a vital role in our sustainability journey, and we have dedicated teams available to address questions and resolve issues related to sustainability. We also promote behavioral changes through workshops, cross-functional interactions, and discussions.

GHCL has taken a leadership position in promoting sustainability and is committed to reducing its impact on the environment while creating social and economic value. Our sustainability vision, introduced in the FY 2018-19 as a base line with a five-years target, beginning with the projects/ initiatives taken from FY 2019-2020 till FY 2023-24, outlines our commitment to achieving sustainability goals and minimizing our environmental footprint through strategic actions.

Sustainability is an integral part of our business strategy and a top priority for GHCL. We are proud to announce our progress towards our Sustainability Vision 2023, particularly in reducing our environmental impact. We remain dedicated to advancing our sustainability efforts and creating value for all stakeholders while contributing to a sustainable future. We actively engage our supply chain partners to join us on this sustainability journey. By doing so, we aim to position ourselves as a leader in sustainable business practices, making a positive difference in our operations and fostering healthy relationships with our stakeholders.

As we completed FY 2022-23, we recognize the importance of continuous improvement in our sustainability approach. We are committed to learning, refining our processes, and developing Sustainability Vision 2.0 with the guidance of domain experts. This will chart our sustainability journey for the next five to seven years and identify projects that will take us to the next level of sustainability.

At GHCL, we remain steadfast in our commitment to sustainability, constantly striving for excellence in our practices, and creating a positive impact on society and the environment. Together, we can build a brighter, more sustainable future and to be true to our philosophy **यतो धर्मस्ततो जय:** [this means where there is righteousness, there is victory]. .

This statement emphasizes the importance of incorporating ethical and sustainable practices into the company's operations. It suggests that by upholding principles of sustainability and governance, the company will achieve success and triumph in its endeavours.

Sincerely,

Bhuwneshwar Mishra
Vice President - Sustainability &
Company Secretary

Sustainability Vision 2023 - Performance update

Zero Harm

Target : Zero Reportable injuries

Performance Update : Significant progress has been made in improving safety performance at GHCL. In FY 2022-23, there were a total of 15 reportable injuries, which consisted of one fatality and 14 lost time injuries. This is a reduction from the previous fiscal year, where there were 18 reportable injuries, all of which resulted in lost time.

To enhance safety performance and prevent such incidents, we have implemented focused actions on zero harm. This includes conducting safety assessments and audits to identify potential hazards and areas for improvement. By thoroughly evaluating our operations and identifying areas of concern, we can proactively address safety risks and implement appropriate control measures.

Furthermore, we have embraced digitalization and data analytics as valuable tools in our safety initiatives. By leveraging technology, we can gather and analyze safety-related data more efficiently, enabling us to identify trends, patterns, and areas that require attention. This data-driven approach helps us in making informed decisions, implementing targeted safety measures, and continuously improving our safety performance.

GHCL remains committed to the goal of zero harm and continually strives to create a safe working environment for all employees. We recognize that safety is paramount and will continue to prioritize the well-being of our workforce through ongoing safety initiatives, training programs, and the implementation of best practices.

By taking these actions and maintaining a strong focus on safety, we aim to further enhance our safety performance and ensure the well-being of our employees.

Targer : Zero environmental incidences

Performance Update : We are pleased to report that in FY 2022-23, GHCL has achieved a significant milestone with zero environmental incidents. This accomplishment reflects our commitment to environmental stewardship and our continuous efforts to minimize our impact on the environment.

At GHCL, we prioritize sustainable practices and have implemented robust environmental management systems across our operations. These systems enable us to identify potential environmental risks, implement preventive measures, and monitor our performance closely.

Our focus on environmental sustainability includes measures such as efficient resource utilization, waste management, pollution prevention, and energy conservation. We have implemented advanced technologies and processes that help us minimize our carbon footprint and reduce waste generation.

Furthermore, we actively engage our employees in environmental awareness and training programs to foster a culture of environmental responsibility and encourage sustainable practices throughout the organization.

We recognize that environmental conservation is an ongoing effort, and we remain dedicated to continuous improvement in our environmental performance. We will continue to invest in sustainable technologies, monitor our environmental indicators, and strive for excellence in environmental management.

By achieving zero environmental incidents, we demonstrate our commitment to protecting the environment, preserving natural resources, and contributing to a sustainable future.

Sustainability Vision 2023 - Performance update contd...

Responsible Stewardship

Target : 20% reduction in specific freshwater consumption

Performance Update : We are pleased to announce that GHCL has accomplished an impressive 32% reduction in specific freshwater consumption compared to the base year FY 2018-19. This achievement showcases our unwavering dedication to responsible water management and sustainability.

At GHCL, we understand the significance of conserving freshwater resources and minimizing our water footprint. Through the implementation of advanced technologies, process optimization, and water-efficient practices, we have successfully achieved this substantial reduction.

We have focused on various initiatives such as water recycling and reuse, wastewater treatment, and implementing water conservation measures throughout our facilities. These efforts have not only contributed to conserving water but have also helped in mitigating our environmental impact.

Moving forward, we remain committed to prioritizing water conservation and continually improving our water management practices. We will actively explore further opportunities to enhance our efficiency in water usage and strive for even greater reductions in the future. Our aim is to be at the forefront of sustainable water management practices within our industry.

Target: 10% reduction in specific energy

Performance Update: GHCL has reported a 9% increase in specific energy compared to the base year FY 2018-19. To drive our improvement plan, we have implemented a comprehensive range of initiatives aimed at optimizing our energy performance across all aspects of our operations. By focusing on process efficiency and redesign, as well as the conversion and retrofitting of equipment, we have successfully reduced energy consumption and improved overall efficiency.

In line with our sustainability goals, we have also prioritized the integration of renewable energy sources. By increasing our reliance on solar and wind power, we have further reduced our carbon footprint and demonstrated our commitment to clean energy.

Furthermore, our exploration of biomass co-firing, where renewable biomass is combined with conventional fuels, has enabled us to reduce our environmental impact and promote sustainable energy alternatives. These energy-saving measures not only contribute to a healthier environment but also generate cost savings and enhance operational efficiency.

As we move forward, we remain dedicated to the ongoing pursuit of energy conservation and continuous improvement. By embracing innovative technologies and sustainable practices, we strive to make a positive and lasting impact on the environment while ensuring the long-term sustainability of our operations.

Target : Green building certification for our Noida office

Performance Update : Green building preliminary assessment for certification has been completed. Certification is planned in FY 2023-24.

Climate Warrior

Target : 20% reduction in GHG emissions

Performance Update : Achieved 12% energy efficiency increase compared to FY 2018-19, while targeting a 60% reduction in scope 1 and 2 emissions by 2030. Implementing emission reduction projects and embracing renewable energy sources for a greener and sustainable future. Committed to continuous improvement and environmental stewardship.

Target : Implementation of Internal Carbon Pricing

Performance Update : We are proud to announce the successful implementation of our Internal Carbon Price initiative at GHCL. As part of our commitment to sustainable business practices, we have adopted an internal shadow carbon price to guide our investment decisions across all operations.By incorporating a carbon price into our investment evaluation process, we ensure that the financial implications of carbon emissions are adequately considered. This internal mechanism helps us prioritize low-carbon projects, identify opportunities for emission reductions, and drive innovation towards cleaner and more sustainable technologies.The Internal Carbon Price serves as a valuable tool in aligning our business strategy with our environmental goals, enabling us to make informed decisions that not only benefit the environment but also contribute to long-term profitability and resilience.Through this initiative, we reaffirm our commitment to mitigating climate change and reducing our carbon footprint while actively pursuing sustainable growth.

Stakeholder Centric

Target : 30% reduction in high-risk suppliers

Performance Update : GHCL has achieved a commendable 33% reduction in high-risk suppliers compared to FY 2021-22. Our robust supplier assessment processes, engagement efforts, and transparency initiatives have contributed to this success. We prioritize responsible sourcing and supply chain sustainability, ensuring adherence to ethical, social, and environmental standards. This reduction reflects our commitment to managing supply chain risks and building a resilient business. We will continue to collaborate with suppliers, monitor performance, and drive continuous improvement. Our aim is to create a sustainable and responsible supply chain that aligns with our values and contributes to a better future.

Target : Trusted CSR brand

Performance Update : GHCL Foundation Trust takes a collaborative and responsible approach to community development in the areas surrounding our manufacturing facilities. We believe in creating a positive impact by addressing key social and environmental challenges. Through various initiatives, we actively engage with local communities, focusing on education, healthcare, women empowerment, skill development, and environmental conservation. By partnering with local stakeholders, NGOs, and government agencies, we aim to drive sustainable change and uplift the quality of life for community members. Our commitment to corporate social responsibility reflects our belief in making a meaningful difference and fostering long-term socio-economic development.

Sustainability Vision 2023 - Performance update contd...

Target : To be among the Top 100 Great Place to Work

Performance Update : GHCL has been honored with the prestigious "Great Place to Work" (GPTW) recognition for the 7th consecutive year. Our consistent inclusion among the top 50 companies in the manufacturing sector underscores our commitment to providing an exceptional work environment and fostering a culture of trust and excellence.

Target : Single-digit overall attrition rate

Performance Update : We are proud to report a commendable attrition rate of 9.5% in the executive cadre, maintaining single-digit attrition since FY'20, however,our overall average attrition rate for FY 2022-23 stands at 26%, due to high attrition observed in yarn division in female employees during agriculture season.

Target : 25% representation of overall female employees and 10% in the executive cadre

Performance Update : We are pleased to announce that we have achieved a noteworthy overall representation of 36% female employees, demonstrating our commitment to gender diversity. In the executive cadre, we stand at 8% female representation. To enhance our performance, we have implemented employee engagement programs that promote inclusivity and create a supportive environment for all employees.

Target : Increase employment of specially abled candidates by 50% than last year

Performance Update : In FY 2021-22, we employed 4 specially abled workers at our Soda Ash plant. However, in FY 2022-23, we are proud to announce that we have successfully achieved our targets with a significant increase in specially abled workers. We now have a total of 21 workers in both the Soda Ash plant and Yarn division, representing a 5-fold increase.

Value creation paradigm

At GHCL, we are committed to integrating sustainability into every aspect of our operations. Our value creation approach allows us to work collaboratively and efficiently to achieve our purpose and generate the utmost value for all our stakeholders.

What we use

Finance Capital
- **Rs. 350 Cr.** Capital expenditure

Manufactured Capital
- **9** Operating locations across India
- **4 million MTPA** inbound raw material
- New spinning unit at **Yarn division**

Intellectual Capital
- **1,274** Number of kaizens

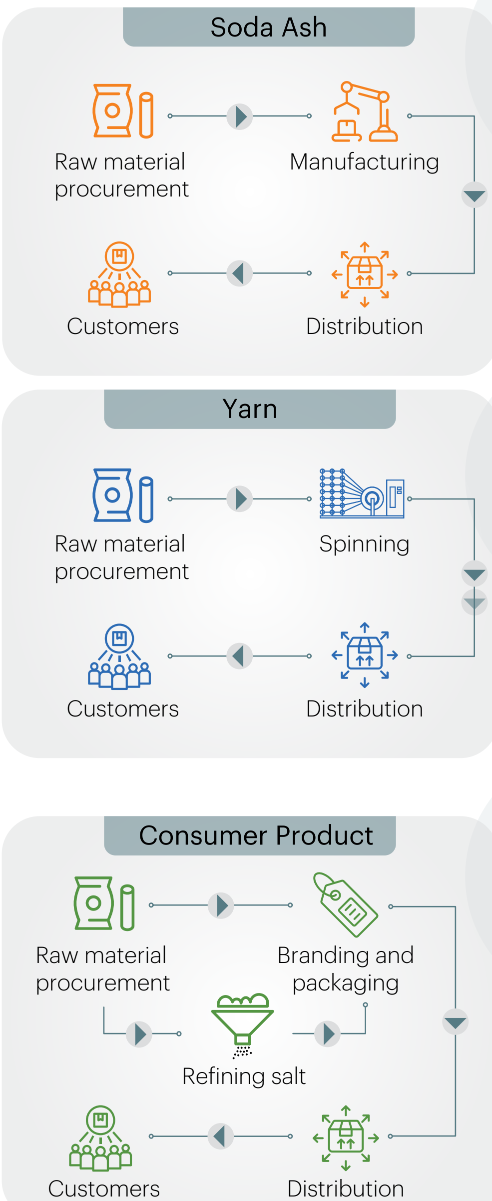
Human Capital
- **3,837** Permanent workforce
- **3,251** Contracted workforce

Social & Relationship Capital
- **Rs. 12.31 Cr.** CSR spend
- **7** Partenrships with NGO's

Natural Capital
- **119 Lacs GJ** direct energy consumption
- **5 Lacs GJ** indirect energy consumption
- **25 Lacs KL** fresh water consumption

Our Value Chain

By prioritizing sustainability, we aim to create positive impacts for society, satisfy our customers' needs, create a supportive work environment for our employees, and deliver sustainable returns for our shareholders. Through this holistic approach, we strive to create long-term value and contribute to a better future for all.



What we create

Soda Ash

The second largest manufacturer of Soda Ash in India with 26% market share and 1.2 million MTPA capacity.

Yarn

one of India's major exporters of domestic cotton

CPD

Strong presence in South India with Edible Salt.

Our Brands Sapan & i-FLO are well accepted among Category A stores in Major Southern cities

Growth Performance Sustainability

Finance Capital

- **Rs. 4,584.05 Cr.** Revenue generated

Manufactured Capital

- **1.1 million MTPA** Soda Ash division production
- **0.03 million MTPA** Yarn division production
- **0.11 million MTPA** CPD production

Intellectual Capital

- **Rs. 2.16 Cr.** savings due to process efficiency

Human Capital

- **16000 plus** manhours of formal training

Social & Relationship Capital

- **92** employee trust index score in GPTW in FY 2021-22 as compared to industry score of 88 in same period
- **Rs. 20.83 Cr** Worth CSR projects implemented
- **1 lacs+** CSR beneficiaries

Natural Capital

- **12 Lacs tco$_2$** scope 1 emission
- **0.33 Lacs tCO** scope 2 emission
- **8 Lacs tCO** scope 3 emission
- **1.5 Lacs MT** non hazardous waste disposal
- **9 MT** Hazardous waste disposal

Leadership driving value creation

Corporate governance structure

At GHCL, we uphold a governance philosophy grounded in integrity, fairness, equality, transparency, accountability, and unwavering commitment to our values. We firmly believe that effective governance serves as a potent differentiator, crucial for both economic and social advancement. To realize this, we have established a robust governance structure that enables us to foster a long-term vision and enhance value for our stakeholders.

GHCL's governance bodies play a vital role in implementing our strategic initiatives, guiding us toward achieving our corporate goals, and creating sustainable value. We recognize that good governance is essential for building enduring relationships with our stakeholders and aligning our actions with our purpose. As part of our commitment to continuous improvement, we actively engage with investors and other stakeholders to enhance our governance practices and ensure their successful implementation.

By upholding strong governance principles, we strive to not only meet but exceed the expectations of our stakeholders, enabling us to drive long-term growth and sustainable development. Our focus on effective governance serves as a cornerstone for our success, ensuring that we remain accountable, transparent, and dedicated to creating value for all.

Board Composition and their attendance during FY 2022-23

- Directors-10
- Non-executive Board members-7
- Meetings of Board of Directors-4
- Attendance Rate-100%

Governance practice at GHCL

Our governance framework, systems, and processes are designed to align with our Mission, Vision, and Values, serving as a guiding force in our pursuit of sustained success. In line with our commitment to a sustainable future, we have developed business strategies guided by the principles of Corporate Governance. These strategies enhance accountability, ethical behavior, and fairness for all stakeholders, while also driving value creation.

At GHCL, we have integrated sustainability principles into our corporate strategy and execution plans, with active involvement from our Board of Directors and management team. This ensures that the interests of the company and its stakeholders are safeguarded and advanced. Our governance practices prioritize transparency, responsible decision-making, and the long-term well-being of our organization and its ecosystem.

By upholding strong governance principles, we reinforce our commitment to delivering positive outcomes for all stakeholders. Our governance framework serves as a cornerstone of our operations, fostering trust, resilience, and a foundation for sustained growth. Through the collective efforts of our leadership and workforce, we strive to create lasting value while embracing our ethical and social responsibilities.

At GHCL, our corporate governance practice places the Board of Directors at the heart of our decision-making processes. The Board plays a vital role in ensuring that the Management team serves and protects the long-term interests of all stakeholders. Comprising seasoned professionals with expertise in various fields such as senior bureaucrats, judiciary, tax, and finance, our Board brings diverse perspectives and relevant experience to the table.

Transparency, individual accountability, and ethical behaviour are fundamental principles that govern all our business proceedings. We uphold high standards of governance to maintain the trust and confidence of our stakeholders.

Regular Board meetings are held to review and assess various aspects related to strategy, operations, and finance. These meetings provide a platform for in-depth discussions and informed decision-making. In addition, we have established six dedicated committees overseen by our Board of Directors to focus on specific areas of governance, ensuring comprehensive oversight and expertise in key aspects of our operations.

Through the collective efforts of our Board, Management, and employees, we strive to uphold the principles of transparency, accountability, and ethical conduct in all our endeavours. By fostering a culture of good governance, we reinforce our commitment to the long-term success and sustainability of our organization and the best interests of our stakeholders.

Risk & sustainability committee

As per the requirements of Regulation 21 of the Listing Regulations, we have established a dedicated committee with an expanded scope to include sustainability as part of its terms of reference. This committee is responsible for periodically reviewing and assessing the various risks associated with our company and reporting them to the Board of Directors at regular intervals.

Under the leadership of Mr. Arun Kumar Jain, an independent director, the committee comprises Mr. Anurag Dalmia, Non-Executive Vice Chairman, Mr. R S Jalan, Managing Director, Mr. Raman Chopra, CFO & Executive Director (Finance), and Mr. Neelabh Dalmia, Executive Director.

The Risk and Sustainability Committee plays a crucial role in identifying and addressing risks that may impact our operations, financial performance, and reputation. By including sustainability in its terms of reference, the committee recognizes the importance of managing and mitigating environmental, social, and governance risks.

Further details regarding the specific responsibilities and terms of reference of the Risk and Sustainability Committee can be found in our Corporate Governance Report, providing comprehensive insights into our governance practices and commitment to sustainable risk management.

Leadership driving value creation contd...

Audit & Compliance committee

The Audit & Compliance Committee has been formed in accordance with Section 177 of the Companies Act, 2013, read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 18 of the Listing Regulations. The committee's primary objective is to monitor and ensure effective supervision of the company's financial reporting process, with a strong emphasis on transparency, integrity, and the quality of financial reporting. It also oversees the functioning of the company's vigil mechanism.

Dr. Manoj Vaish, the lead independent director, serves as the Chairman of the committee, while Mrs. Vijaylaxmi Joshi and Mr. Arun Kumar Jain, both independent directors, are members of the committee. All members of the committee are independent directors, ensuring impartiality and unbiased oversight.

The Audit & Compliance Committee plays a critical role in upholding the highest standards of financial reporting and governance. Its responsibilities include reviewing financial statements, internal control systems, risk management practices, and compliance with applicable laws and regulations. Detailed information regarding the committee's specific responsibilities and terms of reference can be found in the corporate governance section of our annual report, providing transparency and clarity regarding our governance practices.

Corporate social responsibility committee

The Corporate Social Responsibility (CSR) Committee is constituted in accordance with Section 135 of the Companies Act, 2013, along with relevant rules. The committee plays a crucial role in strengthening and monitoring the company's CSR policy and ensuring its effective implementation.

The committee comprises a diverse mix of members, including independent directors, non-executive directors, and whole-time directors. Mr. Anurag Dalmia, Non-executive Vice Chairman, serves as the Chairman of the CSR Committee. The other members of the committee include Mrs. Vijaylaxmi Joshi and Justice Ravindra Singh, independent directors, and Mr. R S Jalan, Mr. Raman Chopra, and Mr. Neelabh Dalmia, whole-time directors of the company.

The CSR Committee oversees the company's CSR initiatives, ensuring they align with the company's goals and are in compliance with relevant regulations. The committee's responsibilities include formulating and reviewing the CSR policy, identifying projects and activities for CSR implementation, monitoring progress, and assessing the impact of CSR initiatives.

Detailed information regarding the committee's terms of reference and specific responsibilities can be found in the Corporate Governance section of our Annual Report, providing stakeholders with a comprehensive understanding of the committee's role and activities.

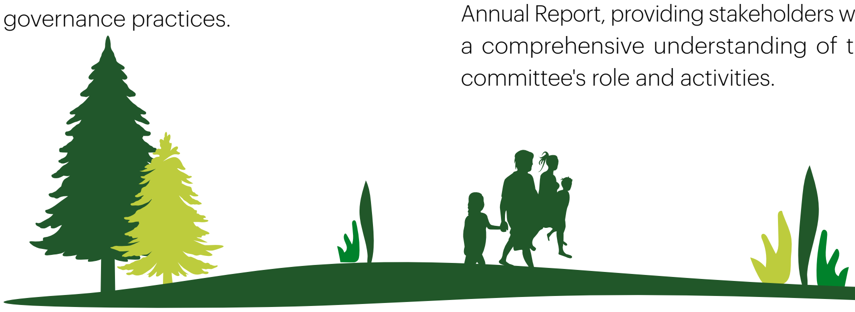
Stakeholders relationship Committee

The Stakeholders Relationship Committee has been constituted in accordance with Section 178(5) of the Companies Act, 2013, along with Regulation 20 of the Listing Regulations. The committee plays a crucial role in addressing and resolving the grievances of the company's security holders, including issues related to share transfers, non-receipt of annual reports, non-receipt of dividends, and other related matters.

Comprising a mix of independent directors and whole-time directors, the committee ensures effective communication and engagement with the company's stakeholders. Mr. (Justice) Ravindra Singh serves as the Chairman of the committee, and the other members include Mr. Arun Kumar Jain, an independent director, and Mr. R S Jalan, Mr. Raman Chopra, and Mr. Neelabh Dalmia, whole-time directors of the company.

The committee diligently reviews and addresses the grievances of security holders, providing them with prompt and satisfactory resolutions. It also works towards strengthening the company's relationship with its stakeholders by fostering transparency, responsiveness, and trust.

Detailed information regarding the committee's terms of reference and specific responsibilities can be found in the Corporate Governance section of our Annual Report. This provides stakeholders with a comprehensive understanding of the committee's role in addressing and resolving grievances and maintaining effective communication with our valued security holders.



Nomination & remuneration committee

The Nomination and Remuneration Committee has been constituted in accordance with the requirements of Section 178 of the Companies Act, 2013, along with Regulation 19 of the Listing Regulations. This committee plays a vital role in overseeing various important aspects related to talent acquisition, board diversity, directors' evaluation criteria, employee stock options, succession planning, and board-level appointments.

Led by Mrs. Vijaylaxmi Joshi as the Chairperson, the committee comprises esteemed members, Mr. (Justice) Ravindra Singh and Dr. Manoj Vaish, who are independent directors. Together, they bring their expertise and experience to ensure the committee's effectiveness.

The committee diligently reviews, and addresses matters about talent acquisition, ensuring a diverse and skilled board of directors. It also sets criteria for directors' evaluation, fostering a culture of accountability and performance. The committee oversees matters related to employee stock options and succession planning, ensuring effective leadership continuity.

Additionally, the committee takes responsibility for board-level appointments and nominations, ensuring that qualified individuals are selected for key positions. By upholding high standards of corporate governance, the committee promotes transparency, fairness, and effectiveness in these important areas.

Detailed information regarding the committee's terms of reference and specific responsibilities can be found in the Corporate Governance section of our Annual Report. This provides stakeholders with a comprehensive understanding of the committee's role in talent management, remuneration, and shaping the future leadership of the company.

Banking & operating committee

The Banking & Operations Committee has been established to streamline and expedite the day-to-day operations of the company and exercise the delegated powers of the Board. This committee convenes as per the business requirements to address and expedite various operational matters.

The committee plays a crucial role in managing and authorizing functional requirements such as issuing Power of Attorney, negotiating and arranging term loans, working capital loans, and short-term loans, and representing the company in dealings with government bodies, regulatory authorities, and other relevant stakeholders.

Comprised of key functional directors, namely Mr. R S Jalan, Managing Director, Mr. Raman Chopra, CFO & Executive Director (Finance), and Mr. Neelabh Dalmia, Executive Director, the committee leverages their expertise and experience to ensure efficient and effective management of operational aspects.

The committee operates within the delegated authority of the Board of Directors, ensuring compliance with the company's policies and regulations. By representing the company in its interactions with various statutory, regulatory, and commercial entities, the committee ensures seamless operations and compliance with relevant laws and regulations.

The Banking & Operations Committee plays a pivotal role in maintaining strong relationships with government agencies, tax authorities, electricity boards, and other relevant bodies. Their efforts contribute to the smooth functioning of the company's operations and support its overall business objectives.

It is important to note that the committee operates within the framework of the delegated authority provided by the Board of Directors and ensures effective governance and oversight in all operational matters.

Key management at GHCL

Mr. R. S Jalan
Managing Director

Mr. Raman Chopra
CFO & Executive Director (Finance)

Mr. Neelabh Dalmia
Executive Director
(Growth & Diversification Projects)

Mr. N. N. Radia
COO (Soda Ash)

Mr. Mayuresh Hede
Operation Head, Sutrapada Soda Ash Plant

Mr. Sunil Singh
(CPD Head & VP - Soda Ash Marketing)

Mr. Bhuwneshwar Mishra
Vice President - Sustainability & Company Secretary

Mr. R. Balakrishnan
CEO (Yarn division)

Mr. Biswarup Goswami
CHRO

Key policies and governance documents

GHCL's policies and Code of Conduct forms the foundation of our sustainable and responsible business practices. These guiding principles are aligned with our mission and vision, shaping our actions and decisions.

Our Code of Conduct is supported by comprehensive policies and procedures that provide clear guidance to employees and stakeholders on upholding GHCL's values. These policies serve as a compass, ensuring that we maintain ethical standards in all aspects of our operations.

We recognize that our commitment extends to all stakeholders, including the communities where we operate. Our policies and code of conduct serve as a roadmap when we face challenging business situations that require ethical judgment. While the core values of our code have remained steadfast since its inception, they also adapt to changes in laws and regulations to remain relevant.

These policies and code of conduct are designed to foster responsible growth and guide us in various areas, such as compliance with laws and regulations, handling conflicts of interest, and addressing ethical dilemmas. They provide a framework for making sound decisions and ensuring accountability at all levels of the organization.

By adhering to these policies and code of conduct, we demonstrate our commitment to ethical business practices and the well-being of our stakeholders. They provide us with the necessary guidance to navigate complexities and challenges, ensuring that we uphold the highest standards of integrity and responsibility.

As we continue to evolve, our policies and code of conduct will remain instrumental in shaping our actions, promoting transparency, and reinforcing our commitment to sustainable and responsible business practices.

- SOP for Structure Digital Database
- Supplier Code Of Conduct
- Board Diversity Policy
- Policy on Payment of commission to Execute Directors of the Company

- Whistle-blower Policy
- Policy on Determination of Materiality
- Policy on Succession Plan
- Investor Grievance Redressal Policy
- Preservation of Documents & Archival Policy Director

- Code of Conduct for employees and other stakeholders
- Internal Audit Charter
- Green Procurement Policy
- Policy for determining material subsidiary

- Various Committees Constituted by the Board of Directors
- Prevention Of Sexual Harassment at Work Place
- Familiarization Program For Independent Director
- Data Protection Policy

- Code of Conduct of Board of Directors and Senior Management Personnel
- Board Diversity Policy
- Dividend Distribution Policy
- RPT Policy

- Code of practices and procedures for Fair Disclosure of UPSI
- CSR Policy
- Terms and Conditions of Appointment of Independent Director
- Risk Management Policy

Resource allocation

At GHCL, we prioritize the efficient utilization of resources to achieve our strategic objectives. We recognize that a strong financial foundation relies on effective resource allocation, clear deliverables, and robust risk strategies and planning.

Our strategy revolves around optimizing resource allocation to safeguard shareholders' investments and drive long-term value creation. We understand that value goes beyond financial considerations and encompasses social and environmental aspects as well. Therefore, we have integrated the concept of the six capitals - Human, Manufactured, Social & Relationship, Financial, Intellectual, and Natural - into our resource allocation strategies.

By considering all six capitals, we can make informed decisions that minimize losses, promote financial growth, and align with GHCL's overarching goals. This approach helps us prioritize areas of value creation and ensures that we address the most critical aspects for our valued stakeholders.

Through our resource allocation strategies, we aim to strike a balance between maximizing returns and promoting sustainability. By efficiently utilizing available resources, we can achieve our strategic objectives while considering the broader impact on society and the environment.

Ultimately, our commitment to optimizing resource allocation enables us to create long-term value, meet stakeholder expectations, and contribute to sustainable and responsible business practices.

Resource Allocation

Social & Relationship Capital

Investment in stakeholder engagement activities to ensure a cordial external environment for the business

Human Capital

Investments in building capabilities with people, digital initiatives and diversity and inclusion programs

Natural Capital

Allocation of financial, human and intellectual capital to procure and conserve natural capital resources such as raw materials, water, land, energy etc.

Financial Capital

- Generation of free cashflow and net profit with the aim to enhance equity from a long-term viewpoint
- Focus on investments in Soda Ash and allocation in other capital expenditure on priority basis
- Focus of management on growth and high return areas

Manufactured Capital

Emphasis and investment on digitization and automation

Intellectual Capital

Increasing synergies between R&D Centres and investing in research projects for product and process innovation

Building business agility

Risk management

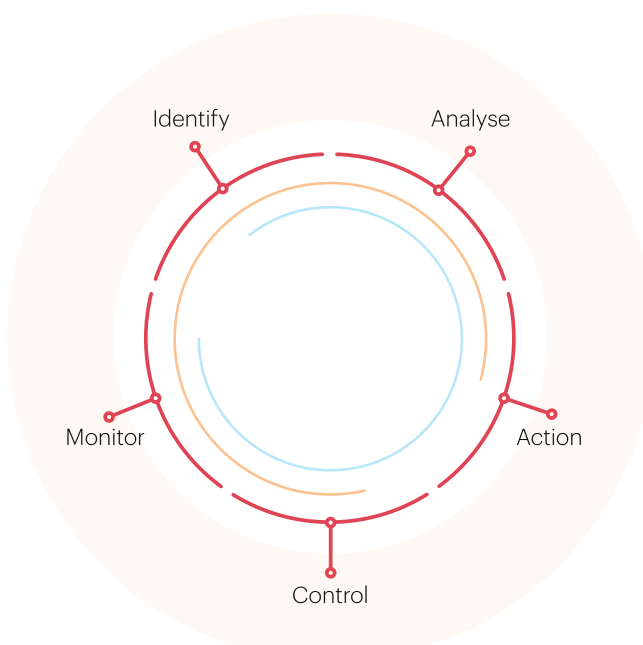
Risk management is of utmost importance in our strategic management approach. We prioritize the identification and mitigation of risks associated with our operations to ensure long-term success and positive outcomes. We understand that risks can have significant consequences on our prosperity, competitiveness, financial stability, reputation, and overall quality of our products, services, and workforce.

In light of the current uncertain times and heightened compliance standards, we have encountered various challenges. However, we recognize the importance of implementing robust risk management procedures to align with our strategic goals and drive sustainable growth over the long term.

By adopting sound risk management practices, we proactively address potential obstacles and take necessary measures to minimize their impact. Our focus is on identifying, assessing, and managing risks at both activity-specific and portfolio levels. This comprehensive approach allows us to optimize our risk-reward trade-offs and make informed decisions that support our overall objectives.

We are committed to embedding a risk-aware culture throughout our organization, where every individual understands their role in identifying and managing risks. Our risk management framework is continuously reviewed and updated to align with changing market dynamics, regulatory requirements, and emerging risks.

Through effective risk management, we strive to enhance our resilience, protect our stakeholders' interests, and maintain the highest standards of quality, compliance, and ethical conduct. We believe that by proactively managing risks, we can seize opportunities, navigate challenges, and drive sustainable growth in a dynamic business environment.



We prioritize the consideration of potential risks and the implementation of risk-mitigation measures in our business operations. To gain insights into various risks, we collaborate with experts who conduct research and provide valuable recommendations. Recently, we engaged an expert to study climate-related risks and develop mitigation plans to reduce their impact. A dedicated team has been established to create a roadmap for risk reduction in the short, medium, and long term.

Throughout the year, we undertake numerous initiatives that focus on risk reduction and effective risk management. We understand the importance of identifying and controlling risks that may hinder the accomplishment of our company's goals. Consequently, we continuously adapt our business model, execution plans, and risk profiles to address emerging challenges.

We also prioritize the establishment of robust monitoring and reporting frameworks. Our systems are regularly updated to ensure efficient risk management, improved processes, and the delivery of specialized training to empower our employees for the future. By doing so, we aim to enhance our resilience, anticipate and respond to risks effectively, and create value for our stakeholders.

We remain committed to staying proactive in identifying and mitigating risks, fostering a risk-aware culture, and leveraging opportunities that arise from managing risks effectively. By integrating risk management into our strategic decision-making processes, we are better positioned to navigate uncertainties, seize growth opportunities, and deliver sustainable outcomes for our stakeholders.

The Board is ultimately responsible for identifying and analyzing the nature of internal and external risks that may threaten our ability to achieve our strategic goals. The Board is also in charge of assessing the Company's risk appetite, overseeing the development, implementation of the Risk Management framework, and maintenance of a suitable monitoring and reporting structure. Our Internal Audit Program is equally in line with the Company's risk profile and is in charge of providing independent assurance as well as risk management in specific areas. The Risk & Sustainability Committee evaluates the various initiatives taken to reduce risks related to cost competitiveness, Sustainability, Governance, compliance & regulatory changes and Business Growth & Innovation as mentioned below::

Cost Competitiveness

- Raw material availability & volatility
- Margin pressure – low cost supply & over supply
- Financial cost & disciplined capital allocation
- Currency fluctuation

Sustainability

- Governance, compliance & regulatory changes
- Ethical business practices
- Cyber security

Governance, Compliance & Regulatory Changes

- Social license to operate
- EHS performance
- Climate change & natural calamity
- Succession planning

Business Growth & Innovation

- Capex & non capex growth
- New Product & Process Enhancement
- Digitization / automation
- Superior customer serviceability

Building business agility contd...

Risk management matrix

S. No.	Risk indicator	Mitigation strategy	Capitals linked
Cost Competitiveness			
1.	**Raw material availability and volatility**	1. Focus on efficient use and re-use of raw material as well as captive raw material (Backward Integration)	Manufactured Capital
		2. Ensuring long-term supply contracts and vendor diversification for commodity supplies	Social & Relationship Capital
		3. Due Diligence and effective management in on-boarding raw material suppliers	Social & Relationship Capital
2.	**Margin pressure – low-cost competitors and oversupply**	1. Re-evaluate sales and marketing strategies to deal with margin pressure	Financial Capital
		2. Introducing differentiated and Innovative products	Manufactured Capital
3.	**The financial cost and disciplined capital cost allocation**	1. Targeted deployment of financial funds, meticulous allocation of capital, and making future-ready investments	Financial Capital
		2. Efficient capital management thereby deriving the maximum output for each unit of capital disbursed	Financial Capital
4.	**Currency fluctuation**	1. Monitoring the foreign exchange market closely and taking hedging measures, principally for terms shorter than one year and generally not exceeding 18 months	Financial Capital
		2. Management of exchange rate exposures by utilizing forward foreign exchange contracts	Financial Capital
		3. Engagement with multiple rating agencies on our financial processes	Financial Capital
Sustainability			
5.	**Social license to operate**	1. Regular engagement with the local communities to understand and address their issues 2. Forming Self-Help Groups (SHG) in local villages to enhance their income 3. Engagement of Aganvadis for better implementation of government initiatives	Social & Relationship Capital
6.	**Climate change and natural calamity**	1. Investment in upgrading existing technology to minimise our GHG footprint	Natural Capital
		2. Internal carbon price (the project is underway)	Natural Capital
		1. Assessing the impacts of climate change on GHCL's operations and supply chain	Natural Capital
		4. Climate Change study conducted to develop Roadmap for short-, medium- and long-term Road map for emission reduction and moving towards net zero journey	Natural Capital
		5. Continuous monitoring of EHS KPIs	Natural Capital

Financial Capital
Manufactured Capital
Intellectual Capital
Natural Capital
Human Capital
Social & Relationship Capital

S. No.	Risk indicator	Mitigation strategy	Capitals linked
7.	**EHS performance**	1. EHS improvement areas are identified periodically	
		2. Compliance with applicable legal norms is a priority	
		3. Environmental Management Plan (EMP) in place to mitigate any further risks	
8.	**Succession planning: Right people at the right place**	1. Robust identification process for finding persons with required capabilities	
		2. Investing in training, mentorship, and development of selected candidates	
Governance			
9.	**Governance, compliance, and regulatory changes**	1. Keeping track of changes in the regulatory landscape, coupled with systems and processes to ensure compliance with applicable laws and other legal standards	
		2. Engagement of the Board and top leadership team for implementation of best governance practices	
		3. Engagement of experts to conduct an independent assessment of ESG practices followed by the Company based on the IFC framework industries' best practices.	
		4. Awareness program on maintenance of Structured Digital database as per the requirement of Insider Trading Regulation	
		5. Single-point accountability with appropriate responsibility cascading down the organization	
		6. Ensuring that all employees, including long-term contractors, are trained on GHCL's Code of Conduct	
10.	**Ethical business practices**	1. System in place for reporting and investigating violations of the Code of Conduct.	
		2. Code of conduct for employees and other stakeholders launched along with existing code of Conduct for Board and Sr. Management	
		3. Internal audit charter launched	
		4. Investment policy guideline for treasury investment is in progress	
		5. Security policies and systems are upgraded regularly with the latest security standards	
11.	**Cyber security**	1. Periodic security compliance check, firewalls up-gradation, installation of threat monitoring systems, and regular patch updates	
		2. Efficient capital allocation to enhance business and ensure optimal shareholder growth while taking financial and funding risks into consideration	

Financial Capital
Manufactured Capital
Intellectual Capital
Natural Capital
Human Capital
Social & Relationship Capital

Building business agility contd...

S. No.	Risk indicator	Mitigation strategy	Capitals linked
12.	**Capex and non-capex growth**	1. Regular asset evaluation and return on investment	
		2. Identify new technology and upgrades	
Business Growth and Innovation			
13.	**New product and process enhancement**	1. Understand customer requirements	
		2. Strategic focus on technology to make processes simpler for all stakeholders	
14.	**Digitization/ Automation**	1. Uptake of new-age technology to increase operational efficiency, improve processes and provide enhanced customer engagement	
		2. Engaging partners for automation	
15.	**Superior customer serviceability**	1. Timely action on customer feedback	
		2. Regular engagement with the customer for strengthening the relationship	

Financial Capital
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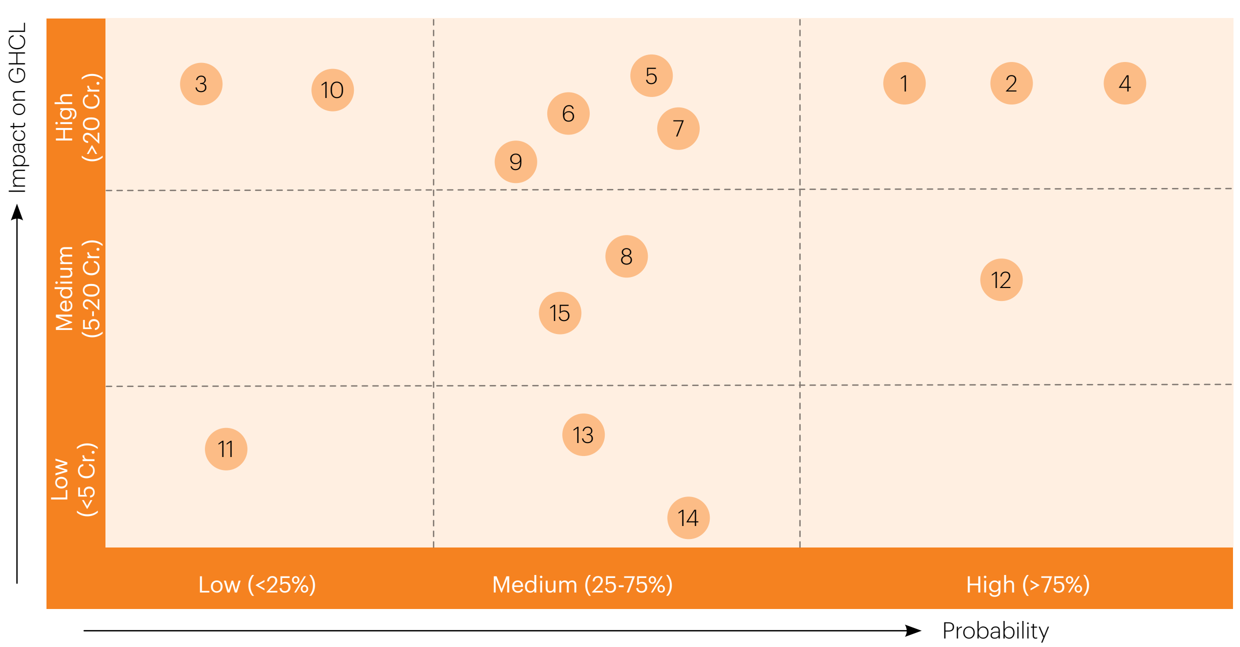
Social & Relationship Capital




High
Medium
RISK
Min
Low

Our stakeholder and materiality aspects

Stakeholder Engagement

GHCL places great importance on shared knowledge and learning from the experiences of our stakeholders. Our stakeholder engagement process is guided by the principle mentioned in Rigveda: आनो भद्राः क्रतवों यन्तु विश्वतः which emphasizes the value of noble thoughts coming from all directions. In recent years, social and environmental issues have gained increasing prominence among consumers, investors, communities, and regulators.

At GHCL, we actively engage with our stakeholders to improve our business practices and understand their expectations. Our stakeholders are central to our policy-making process, and their engagement is an ongoing journey. We strive to adopt more organized methodologies and approaches for stakeholder interactions each year.

By nurturing healthy relationships with our stakeholders, we gain valuable insights and understand how to create value for them. Routine communication and stakeholder interactions help us identify material concerns, particularly in the areas of environmental, social, and governance (ESG). We incorporate these material issues into our corporate strategy, governance practices, and risk mitigation efforts, thereby promoting environmentally and socially conscious business growth.

To guide our sustainability roadmap, we conducted a materiality assessment of our sustainability pillars. The objective was to identify sources of long-term value creation, establish the link between long-term issues and the business case, and develop transparent metrics for public reporting.

We develop plans to address risks and capitalize on opportunities that arise. Our Stakeholder Relationship Committee plays a vital role in keeping our stakeholders informed about various important matters. The Board-level Committee then makes decisions on issues that are critical to stakeholders and may impact GHCL's ability to create value.

While we value all our stakeholders, we have also developed a specific model for interacting with five key stakeholder groups. This approach allows us to effectively engage with these groups and address their unique concerns, further strengthening our stakeholder relationships.

Through our commitment to stakeholder engagement and proactive management of material issues, we aim to foster sustainable growth, meet stakeholder expectations, and create long-term value for all our stakeholders.

a) Investors

Value proposition	Consistent returns on investment and innovation for a sustained business
Why are they important to us?	Our investors provide the necessary financial capital which is essential business and its strategic growth plans
Key stakeholder expectation	• Growth of the Company • Rewards to shareholders • Return on capital employed (ROCE) • Governance and risk management
Key ESG Concerns and Issues	• Technology, product, and process innovation • Focus on renewable and clean energy • Embed sustainability in supply chain

How we engage with them?

- Annual general meeting
- Quarterly earning calls & presentation
- Investor conference
- Press release and newsletter
- Investor's satisfaction survey
- Communication to shareholders immediately after declaration of quarterly results/ half yearly results and providing necessary finance related information

Functions

- Corporate secretarial, sustainability and Corporate investor relations

Our stakeholder and materiality aspects contd...

b) Suppliers/ Vendor partners

Value proposition	Building capabilities through skill development, growth opportunities, safe operations, adequate financing and periodic assessment on ESG parameter
Why are they important to us?	Our partners give us the operational leverage to optimise the value chain, be cost competitive and exceed customer expectation
Key stakeholder expectation	• Payment terms • Growth of suppliers • Fair and transparent dealing • Loading/ unloading infrastructure • Safety system and performance • Hygiene and sanitation
Key ESG Concerns and Issues	• Leverage circular economy • Focus on environmental issues such as carbon emission, water, energy • Embed sustainability in supply chain

How we engage with them?

- Suppliers/ Vendors meet
- Supplier feedback and periodic site visits
- VENDX portal
- Expected to comply with skill upgradation on ESG criteria

Functions

- Commercials, Sustainability and Governance

c) Employees

Value proposition	Healthy work environment, equal and fair treatment, non-discrimination, providing opportunities for skill upgradation, ESOP, rewards and recognition, grievance redressal mechanism, fair wages and overall employee well-being	
Why are they important to us?	Our employees are key to success of our business, their efforts are instrumental in delivering our strategies and for the sustained growth of business	
Key stakeholder expectation	• Growth opportunities • Safe working environment • Hygiene and sanitation facilities	• Healthcare facilities • Grievance Redressal mechanism • Rewards and Recognition
Key ESG Concerns and Issues	• Talent retention • Local sourcing of labour	• Welfare practices for non-officers

How we engage with them?

- Managing Director Connect through MD Speak, GHCL TEA (Think, Experiment and Adopt)
- MILAP (Medium for Interactive Lateral and Actionable Partnership)
- DISHA meeting
- Engagement survey
- Monthly and quarterly publication and newsletter

Functions

- MD Office, CFO & ED(F), HR, corporate communications and Corporate Secretarial & Sustainability function

d) Community

Value proposition	Enabling significant and lasting betterment in the well-being of communities proximate to our operating locations
Why are they important to us?	Thriving and engaged communities in our areas of operations are vital to our business. Our social license to operate hinges on our ability to create value for them
Key stakeholder expectation	• Livelihood support • Healthcare, hygiene, sanitation facilities • Education, local employment • Infrastructure development • Resource optimization
Key ESG Concerns and Issues	• Better healthcare facilities • Water scarcity in the community areas • Livelihood generation and skill development

How we engage with them?

- Community meetings and visits
- Participatory rural appraisals including focus group discussions, awareness camps, exposure, and training visits for beneficiaries
- Interaction for local bodies
- Engaging CSR committee on the issues of CSR initiative

Functions

- GHCL foundation, CSR team and corporate sustainability and secretarial team

e) Customers

Value proposition	Strong brands, quality products, and engineering support
Why are they important to us?	Customers drive the markets and segments we operate in meeting customer expectations underpins the success of our business
Key stakeholder expectation	• Product quality and innovation • Delivery and customer connect • Credit facility & transparent payment terms • Packaging • Health and safety aspects • Innovation
Key ESG Concerns and Issues	• Focus on health, safety, and human rights • Focus on carbon emission, water, air pollution, waste management, renewable and clean energy • Embed sustainability in supply chain and leverage circular economy

How we engage with them?

- Customer satisfaction surveys
- Direct customer relationship management satisfaction initiatives
- Regular customers/ distributor notes

Functions

- Branding and Marketing team

Materiality assessment

Materiality can be defined as the threshold at which a topic or indicator becomes sufficiently important to an organization or its stakeholders. Conducting a materiality study helps us identify the opportunities and risks that hold the greatest significance for the company and its stakeholders, including their impact on the economy, environment, and society. These identified issues then merit focus in the company's sustainability report.

In FY 2018-19, we conducted a comprehensive materiality assessment to identify and prioritize issues that affect our business in the areas of Environment, Social, and Governance (ESG). In FY 2022-23, we revised our approach to identifying material issues based on the current functioning of our business and made necessary modifications compared to the previously identified material issues.

The materiality analysis enables us to align our strategy with our sustainability goals by identifying and prioritizing the most important issues and opportunities. Given the ongoing turbulence in the world, it has become even more important for us to regularly review each of the identified material themes and analyze initiatives to address them. As part of this process, we conducted internal stakeholder discussions to examine and update the list of important concerns included in the Integrated Report from the previous year. These discussions involved engagement with both internal stakeholders and the team responsible for maintaining continual contact with external stakeholders. Based on these conversations, we have finalized the material themes that are important to both stakeholders and the company.

The materiality analysis of GHCL allows us to map the identified material issues against each capital, ensuring a comprehensive understanding of their impact across all aspects of our business. By incorporating materiality analysis into our reporting and decision-making processes, we can effectively address the most relevant issues, drive sustainable practices, and meet the expectations of our stakeholders and the company

Material issues identified	Mapped capital	
Employee engagement, training, and professional advancement	Human capital	
Health and Safety	Human capital	
Human rights and fair labour standards	Human capital	
Sustainable products and packaging	Manufactured capital	
Process improvement and innovation	Intellectual capital Manufactured capital	
Corporate social responsibility	Social & Relationship Capital	
Ethical supply chain management	Social & Relationship Capital	
Energy and GHG emissions reduction	Natural capital	
Water management	Natural capital	
Waste reduction and management	Natural capital	

Introduction to our capitals

At GHCL, we place a strong emphasis on leveraging our strengths to optimize our capital utilization. Despite the challenges posed by the recent pandemic, we effectively managed the situation, resulting in minimal impact on our business operations. To further drive long-term growth, we have enhanced and refined the reporting of our value creation model in our management processes.

Our commitment to building financial strength is deeply intertwined with our focus on environmental, social, and governance aspects of our business. In line with the <IR> framework, our fifth edition of the Integrated Annual Report features a dedicated section on capital management and performance. Each section highlights how we interact with different capitals and integrate them to enhance process efficiency.

Furthermore, we are dedicated to developing Sustainability Vision 2.0, which will serve as a guiding framework for the next five to seven years. This vision will steer our efforts in creating a sustainable future and aligning our business strategies with environmental and social considerations.

By aligning our financial strength with environmental, social, and governance aspects and implementing robust reporting frameworks, we aim to achieve sustainable growth and create long-term value for our stakeholders.

Financial Capital

Rs. 1092.39 Cr

Profit After Tax

Rs. 4584.05 Cr

Total revenue

Read more on page 062

Manufactured Capital

Karthigai

New spinning unit at Yarn division

Rs. 350 Cr

Total Capex - Chemical & Yarn

Read more on page 068

Intellectual Capital

1,274

Kaizens implimented

Read more on page 076

Human Capital

16,000+

Training person hours

36%

Female workforce representation

7th

Consecutive year as Great Place to Work ranked under Top 50 Manufacturing sector

Read more on page 082

Natural Capital

72%

Power requirement of the Yarn division is met through renewable energy

32%

Reduction in specific freshwater consumption since FY'19

Read more on page 112

Social & Relationship Capital

1 Lacs+

CSR beneficiaries

Rs. 12.31 Cr

CSR Spent

Read more on page 096

Financial Capital

Financial capital represents the pool of funds available to an organization through various sources such as financing (debt, equity), operations, and investments, as well as the surplus generated within a given period.

This capital serves as the foundation for creating value by transforming it into other forms of capital, including machinery (manufactured capital), people (human capital), know-how (intellectual capital), and energy (natural capital). Our statement on Financial capital is inspired from our belief that **''यत्र धनो यत्र धान्यं, यत्र ज्ञानं तथैव च । तत्र सर्वे सुखाः सन्ति, निर्धनं नास्ति कश्चन ।।** This Sanskrit shloka emphasizes the importance of financial capital (wealth) and other forms of capital such as agricultural resources (abundance) and knowledge. It states that where there is a combination of wealth, abundance, and knowledge, true happiness can be found, and poverty ceases to exist.

At GHCL, our growth strategies are driven by several key factors, including capacity enhancement, cost competitiveness, innovation and process improvement, sustainable capital expenditure initiatives, digitization, stakeholder engagement, talent development, and enhanced customer serviceability. As a manufacturing industry, our production processes require significant energy consumption. Over the course of our four-decade journey, we have recognized the benefits of transitioning to green energy, which not only reduces costs but also initiates a virtuous cycle of positive impacts on both the top line and bottom line. Consequently, we are actively transitioning to green energy by increasing our renewable energy capacity through the establishment of our own plants as well as contract-based arrangements.

Our focus is to identify optimal solutions for reducing energy costs through the appropriate mix of various fuel sources and by procuring raw materials from economical destinations that ensure long-term supply chain stability. To gauge our financial performance in FY 2022-23, we track key financial performance indicators, which are summarized below:

Performance Highlights

Rs. 4584.05 Cr
Total Revenue

Rs. 1520.06 Cr
EBIDTA

42%
Return on Capital Employed

Rs. 3933.88 Cr
Net worth (Equity)

Rs. 1186.61 Cr
Cash Profit

Rs. 1092.39 Cr
Profit after tax from continuing operations

0.11
Debt to equity ratio

Rs. 17.50 per share
Dividend (175% on face value)

We are committed to creating wealth for our stakeholders by operating our business responsibly, with governance, sustainability, and core values as our foundation. Our wealth creation strategies are guided by our Sanatan Hindu philosophy

अर्थेभ्योऽपि हि वृद्धेभ्यः संवृत्तेभ्य
इतस्ततः। प्रवर्तन्ते क्रियाः सर्वाः
पर्वतेभ्य इवापगाः॥

which emphasizes the importance of creating wealth as the first resource to deploy in all activities/initiatives. In the (Yajurveda), it is stated that अग्ने नय सुपथा राये अस्मान means हे अग्नि देव (the lord of fire), who is believed to possess all knowledge, is invoked to lead humanity in creating wealth in ethical ways.

Financial Capital contd...

Financial capital is a crucial component of our organization, comprising the pool of funds available through financing (debt, equity), operations, investments, and the surplus generated within a given period. We recognize that financial capital plays a vital role in creating value by transforming it into other forms of capital, such as machinery (manufactured capital), people (human capital), know-how (intellectual capital), and energy (natural capital).

In today's complex and dynamic external environment, the success of a business is directly linked to effective financial capital management. Our focus on revenue growth and capital efficiency brings stability to our business, making it more sustainable. Despite challenges posed by inflation and other vulnerabilities, our primary objective is to facilitate long-term growth with excellent financial performance. Our revenue is generated not only from business operations but also from prudent investments and effective asset management. We strive to deliver exceptional financial performance, even in the face of rising input costs and global inflationary pressures. The robustness of our cash flows and competent debt management contribute to the security and stability of both our business and balance sheet, further accelerating our growth.

GHCL is not only focused on the production and sales of products and expanding into new geographies but is also working to shift stakeholders' perception from commodity business to value-added products in the Chemical and Yarn sectors. We have taken strategic steps, such as divesting our Home Textile Company, to concentrate on the growth of Soda Ash and the spinning industry. Additionally, we had initiated the demerger of the spinning business through a Scheme of Arrangement, with the demerger order being pronounced by the Hon'ble NCLT Ahmedabad bench on February 8, 2023. This demerger will lead to the transfer of Yarn business into GHCL Textiles Limited, with effect from April 1, 2023 which will be listed on both the BSE and NSE exchanges.

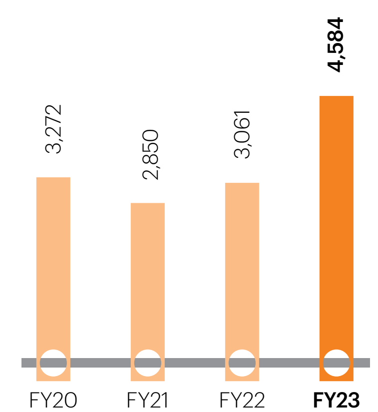
Our financial performance highlights our ongoing commitment to generating competitive value and delivering sustainable and attractive returns on investment for our shareholders. We have achieved the status of a net debt-free company in the third quarter itself. Building on this momentum, we will sustain our focus on simplifying our portfolio to yield growth opportunities, profitability, a stronger balance sheet, and strategic capital allocation.

We continue to announce our financial performance in a consistent and transparent manner, providing information on total revenue, profit after tax, borrowings, return on invested capital, and share price.

By adhering to our principles of governance, sustainability, and wealth creation, and by disclosing our financial parameters consistently and transparently, we strive to build a profitable company with strong cash flows, a well-built balance sheet, and sustainable growth for the benefit of our stakeholders.

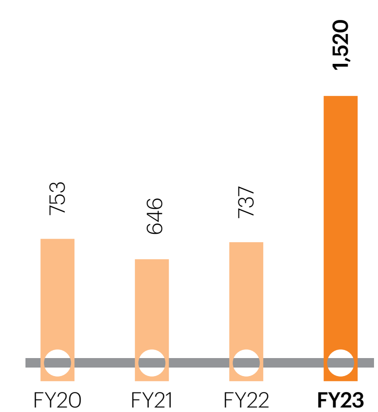
Total revenue

(₹ Cr.)



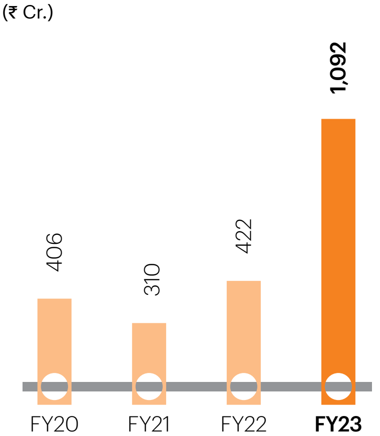
EBITDA

(₹ Cr.)

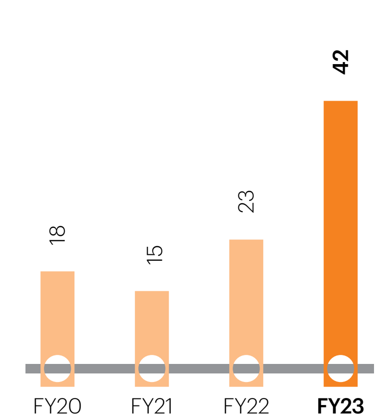


Profit after tax

(₹ Cr.)



Return on Capital employed



* continuing operations

(Rs. in Cr.)

	FY 2021-22	FY 2022-23
Revenue from operations	3052.14	4545.42
Net worth	2951.99	3933.88
Net debt	992.16	558.36
Inventory turnover ratio	1.97	4.08
Market Capitalization	5221	4,813
Operation cash flow	638.97	898.94
CRISIL Rating Status	AA-	AA-

Financial Year ended on	Market Capitalisation (in Rs.)	Market Capitalisation (in Cr.)
March 31, 2023	48,132,222,540	4,813
March 31, 2022	52,209,322,874	5,221
March 31, 2021	21,805,549,137	2,181
March 31, 2020	8,470,434,447	847
March 31, 2019	24,129,662,599	2,413

Economic value generated and distributed

We firmly believe that creating economic value for our stakeholders goes beyond simply generating wealth. It involves ensuring that the wealth generated is transparently distributed in a manner that serves the larger interest of socio-economic growth and development, not only for GHCL but also for the country as a whole. We are committed to conducting our business ethically and in accordance with regulatory requirements.

The distribution of wealth takes various forms and involves different stakeholder groups. We fulfill our obligations by paying taxes to governments, which contribute to the overall development of society and the country. Financial returns are provided to our investors, acknowledging their trust and support in our business.

We also recognize the importance of investing in employee well-being initiatives and development programs that empower and support our workforce. This includes providing fair compensation, promoting a safe and inclusive work environment, offering training and skill development opportunities, and ensuring employee benefits and welfare. Furthermore, we actively engage with our suppliers and ensure timely and fair payments for their goods and services, recognizing their contribution to our business operations.

In addition to these direct forms of wealth distribution, we are committed to giving back to the communities in which we operate. Through our community development programs, we support initiatives that address social and environmental challenges, promote education, healthcare, sustainable livelihoods, and other areas of social impact.

By adhering to these principles of ethical business practices and regulatory compliance, we aim to create economic value that is transparently distributed to benefit a wide range of stakeholders and contribute to the overall growth and development of society.

Financial Capital contd...

Direct economic Value distributed (Rs. in Cr.)

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Operating Cost	2472.20	2169.54	2294.72	3015.47
Employee wages and benefits	207.14	172.46	108.06	133.70
Payment to shareholders in the form of Dividends and buyback	93.44*	--	52.27	142.68**
Payment to Govt. by way of direct taxes	115.53	107.07	204.90	433.24
CSR initiatives	9.75	9.80	9.85	12.31

* This includes dividend for FY 2018-19 and interim dividend for FY 2019-20.

** Net of dividend paid on treasury shares of Rs.0.70 Cr. acquired by GHCL Employees Stock Option Trust.

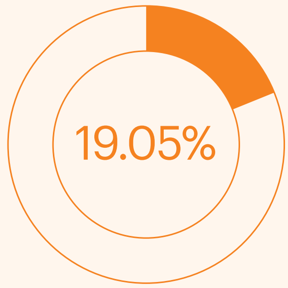
Shareholding pattern

GHCL is a professionally managed organization committed to transparency, integrity, and sustainability. Our shares are listed and traded on the BSE and NSE, enabling investors to participate in our growth. We continuously enhance our systems and processes while reinforcing corporate governance practices. Operating with transparency and integrity, we prioritize sustainability in our core strategy.

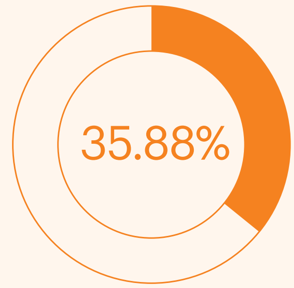
As of March 31, 2023, the shareholding pattern reflects the distribution of shares among individuals and entities. This pattern offers insights into the ownership structure and significant stakeholders. Shareholding patterns may change due to market dynamics and individual decisions.

We value the trust of our shareholders and strive to maintain high standards of corporate governance, accountability, and disclosure. Open and transparent communication with shareholders and stakeholders is vital for fostering long-term relationships and sustainable growth. Our commitment to wealth distribution ensures reinvestment in the organization, compliance with ethical standards, regulatory requirements, tax contributions, investor returns, employee well-being initiatives, community development, and supplier payments. GHCL remains dedicated to creating economic value for stakeholders while driving socio-economic growth and development.

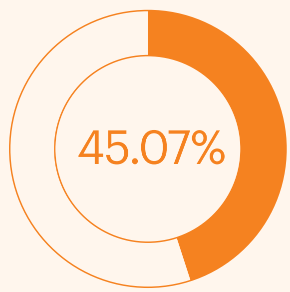
Shareholding pattern (as of March 31, 2023)



Promoters and promoters group holding



Institutional Investor



Non-Institutional Investor

Manufactured Capital

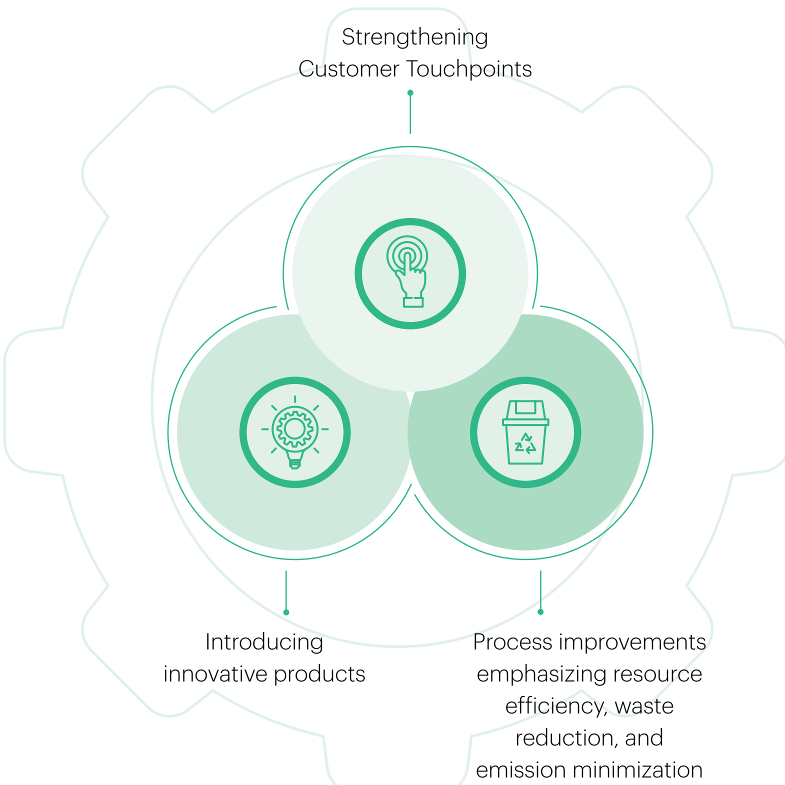
As a manufacturing company, GHCL prioritizes capital expenditure to enhance the quality of our products. We are dedicated to achieving excellence by continuously upgrading our physical infrastructure, including plants, machinery, equipment, and third-party assets such as warehouses and logistics facilities.

Our manufacturing facilities, located in Gujarat and Tamil Nadu, operate in alignment with our holistic ESG approach.

To support our operations, we have captive mining facilities for lignite and limestone in Gujarat. Additionally, we have a captive salt field to meet part of our raw salt requirement, while ensuring a long-term and reliable supply of other major raw materials such as anthracite, coal, limestone, cotton, and manmade fibre through firm contracts.

Our state-of-the-art manufacturing facilities adhere to international standards, enabling us to consistently deliver high-quality products to our customers. We continually invest in value addition, quality improvements, and cost-effective production methods, leveraging our manufactured capital to establish a sustainable business model.

Our commitment to delivering best-in-class products to our clients is rooted in our extensive experience and dedication to meeting their needs and expectations. We constantly innovate and expand our product categories to better serve our customers, striving to remain at the forefront of the industry.



At GHCL, we are committed to expanding our customer base, introducing innovative products, and improving our resource efficiency while adhering to environmental and regulatory guidelines. This approach enables us to create value for all stakeholders and generate consistent cash flow. Our vision for sustainable growth encompasses value addition, quality enhancement, and cost optimization.

To gain a competitive advantage, we prioritize the maintenance and modernization of our equipment, as well as the continuous improvement of our industrial processes' efficiency. By investing in advanced technology and sustainable practices, we strive to stay ahead of our industry peers. Each of our manufacturing facilities aligns with our sustainability purpose, and we are dedicated to becoming an environmentally responsible organization.

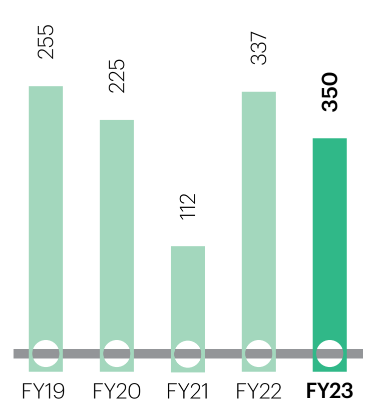
In line with our commitment to sustainability, we are developing Sustainability Vision 2.0, which will guide our strategic direction for the next five to seven years. This vision will enable us to further enhance our environmental performance, strengthen our social impact, and ensure long-term value creation.

Through our unwavering focus on customer satisfaction, innovation, and sustainable practices, we aim to maintain our position as a leading and responsible player in the industry.

We believe in the philosophy that ‘‘उद्यमेन हि सिद्ध्यन्ति कार्याणि न मनोरथैः। न हि सुप्तस्य सिंहस्य प्रविशन्ति मुखे मृगाः।।‘‘ This Sanskrit shloka highlights the importance of diligent effort and hard work in achieving success. It emphasizes that desires alone are not enough to accomplish goals; one must take action and make consistent efforts. The analogy of a sleeping lion signifies that opportunities do not come to those who are inactive or complacent. By linking this shloka to the manufacturing industry, it emphasizes the significance of investing in capital expenditure, continuous improvement, and innovation to achieve excellence and meet customer expectations.

Payment for capital expenditure

(Rs.Cr.)



Manufactured Capital contd...

Soda Ash division

At GHCL, we take pride in our Soda Ash manufacturing facility located in Sutrapada, Gujarat. It stands as one of India's leading producers of Soda Ash, with an impressive annual production capacity of 1.2 million MTPA. Our operations in Soda Ash cater to approximately 26% of India's annual domestic demand, showcasing our significant presence in the market.

To ensure a reliable supply of raw materials, we adopt a two-prong approach. Firstly, we have established captive lignite mines, salt pans, and limestone mines that provide us with dedicated sources of these essential inputs. Our captive limestone mines, conveniently located within a 40 km radius of our plants, offer a competitive advantage by enhancing cost-effectiveness. Secondly, we strategically source raw materials such as anthracite, coal, and limestone from both domestic and international markets through long-term supply contracts. This approach strengthens our raw material security and ensures a steady and uninterrupted supply chain.

Our competitive advantage is driven by several factors, including our unwavering commitment to customer-centricity, the utilization of high-grade raw materials, and optimized capacity utilization. These elements contribute to our ability to deliver superior products and services to our esteemed customers. Notably, we have established strong relationships with marquee clients for Soda Ash exports, enhancing our market presence and further solidifying our position as a preferred supplier.

At GHCL, we remain dedicated to upholding the highest standards of quality and reliability in our Soda Ash operations. We continuously strive to innovate and improve our processes to meet the evolving needs of our customers while ensuring sustainable and responsible practices throughout our supply chain.

Hindustan Unilever Limited | HNG LEADERS IN GLASS CONTAINERS | BOROSIL renewables | FENA Better Products, Cleaner World | P&G

SAINT-GOBAIN | PATANJALI | HINDUSTAN ZINC Zinc & Silver of India | Piramal

We are committed to ensuring the best-in-class productivity and a robust supply chain for our Soda Ash business, catering to both B2B and B2C segments. To drive effective cost reduction, we have transitioned from Coke to briquette coke and have developed expertise in utilizing an appropriate combination of fuels. This optimization allows us to enhance cost-efficiency while maintaining the quality of our products.

Recognizing the depletion of chemical-grade limestone supplies in our captive mines, we have undertaken a project to replenish them. We have acquired the limestone mines in Junagarh Gujarat from Ajmera Cement Pvt. Ltd. which has added mineable grade limestone to our reserves. Furhtermore, we have identified additional limestone resources in private agriculture land near our plants.

To ensure efficiency in our supply chain, we encourage our limestone suppliers to adopt the latest technology and install mechanical sizing and screening systems. This approach not only improves cost-effectiveness but also enables the handling of large volumes and minimizes waste. By maintaining a balanced demand-supply scenario, we can achieve high utilization rates while periodically enhancing our production capacities to meet market requirements.

At GHCL, we are committed to sustainable growth and continuous improvement in our operations. Through strategic investments and innovation, we aim to secure the necessary raw materials, optimize our processes, and uphold our position as a leading player in the Soda Ash industry.

Enhancing process efficiency

At GHCL, we are committed to continuously improving the efficiency of our processes. Our approach focuses on various initiatives aimed at enhancing specific aspects of our operations. To improve the efficiency of mother liquor, we have implemented several measures. These include fine-tuning tower operations through automation, upgrading to a 250 TPD tower from the previous 150 TPD tower, and modifying the operation philosophy to increase CO_2 concentration in C liquor. These changes have resulted in improved efficiency in the mother liquor process.

In our efforts to reduce distiller steam-specific consumption, we have implemented temperature control in cascade mode and made modifications to the flash drum design. These adjustments have led to a reduction in steam consumption, contributing to overall process efficiency.

To address excess OH and CO_3 concentration in purified brine, we have focused on fine-tuning lime milk through the control valve and flow meter. Additionally, we have raised awareness about cost optimization at the operational level, resulting in better control of chemical concentrations and improved efficiency.

Furthermore, to reduce specific power consumption, we have introduced Variable Frequency Drives (VFD) in all fans. This technology enables better control and regulation of fan speed, resulting in energy savings and improved overall power efficiency.

Through these initiatives, we have achieved significant improvements in process efficiency, allowing us to optimize resource utilization, reduce energy consumption, and enhance the sustainability of our operations. We remain committed to continuously exploring new opportunities and implementing innovative measures to further enhance our process efficiency in line with our sustainability goals.

Effective carbonation: digital process optimization

Data analytics and digital twins have revolutionized process optimization by leveraging vast amounts of data to make informed decisions and gain deeper insights into complex systems. At GHCL, we have embraced these cutting-edge technologies to enhance the efficiency of our carbonation towers in the Soda Ash division.

In the first phase of our project, we collaborated with M/s Honeywell to implement a pilot project aimed at improving efficiency in two carbonation towers. We undertook data capturing and model development to create a digital twin that simulates and analyzes the performance of these towers. The validation process for the pilot model is currently underway, ensuring its accuracy and effectiveness.

Building on the success of the pilot project, we are now moving into phase two, where we will expand data capturing and model development to encompass an additional 22 carbonation towers. By utilizing data analytics and digital twin technology, we expect to optimize the operation of these towers, leading to improved yields and overall process efficiency.

The implementation of data analytics and digital twins in our carbonation towers is a prime example of how digitalization can transform the decision-making process in process optimization. By analyzing vast amounts of data and simulating various scenarios, we can make more informed decisions and identify opportunities for improvement before implementing changes in the physical system.

Through this initiative, we aim to maximize the efficiency of our carbonation towers, reduce operational costs, and enhance our overall productivity. We are committed to staying at the forefront of technological advancements and leveraging data-driven insights to continuously optimize our processes and drive sustainable growth in our industry.

Efficient raw material handling: implementation of an unmanned weighbridge system

GHCL has successfully implemented an unmanned weighbridge system, replacing the traditional weighing system for raw materials such as coal, coke, limestone, and salt. This advanced system incorporates RFID technology for automatic driver and truck identification, along with dedicated software that enables security personnel to assign tokens for vehicle entry into the plant. Additionally, the weighbridge system includes sensors, traffic lights, and cameras for efficient and safe truck movement, as well as data capture for record-keeping purposes.

The adoption of the unmanned weighbridge system has yielded significant benefits for GHCL. Firstly, it eliminates the need for manual operators, resulting in reduced operating costs. Moreover, the system enhances security measures by minimizing the risk of manipulation or unauthorized access. Secondly, it improves the efficiency of raw material handling by facilitating faster and smoother truck movement throughout the process. Overall, the unmanned weighbridge system has proven to be a resounding success, streamlining operations and positively impacting GHCL's bottom line.

By embracing technological advancements in weighbridge management, GHCL demonstrates its commitment to operational excellence, cost optimization, and enhanced security measures. This implementation showcases GHCL's forward-thinking approach and its continuous efforts to leverage innovation for greater efficiency and productivity in its operations.

Yarn division

GHCL holds a prominent position as one of India's leading yarn manufacturers and exporters. We take pride in our integrated setup located in Madurai and Manaparai, Tamil Nadu, where we produce superior-quality yarn renowned for its excellence. Our extensive product range caters to international markets, and we are recognized for our exceptional product development capabilities. With cutting-edge machinery sourced from renowned brands like Rieter, Truetzschler, LMW, and Uster, among others, we possess the capacity to process cotton and blended yarns. Our clientele includes prestigious names such as Mantafil, Bossifil, Subbifil, and Suzer Textil, to name a few.

Customer satisfaction has always been our top priority, and we continuously strive to uphold our brand reputation through the delivery of high-quality products that meet and exceed our customers' expectations. Additionally, GHCL's Yarn division is committed to environmental sustainability. We have made significant strides in utilizing renewable energy sources, and currently, 70% of our energy requirement in the spinning division is fulfilled through renewable resources, amounting to 47MW of renewable energy usage.

In FY 2021-22, GHCL signed an MoU with the Government of Tamil Nadu to invest Rs. 500 Cr. in expanding the state's knitting and weaving sector. As part of this initiative, we successfully commissioned 40,000 ring spindles in Manaparai, Tiruchirappalli district, for the production of synthetic blended yarn. In addition, we are developing an Extra High Tension (EHT) power transmission facility in Manaparai to ensure a reliable power supply to the plant.

In line with our commitment to renewable energy, we are undertaking additional solar capacity production to meet 85% of the power requirement in the spinning business through renewable sources. This reflects our dedication to sustainable practices and reducing our carbon footprint.

GHCL's Yarn division continues to be a trailblazer in the industry, combining innovation, customer focus, and environmental stewardship to maintain our position as a trusted and forward-thinking yarn manufacturer and exporter.

Manufactured Capital contd...

Inauguration of the new Karthigai Spinning Unit at Yarn Division, Manaparai Tamilnadu
Products Planned

Yarn Type	Count Range	End Use/ Application
Cotton/Polyester blend yarn (90/10, 80/20, 60/40 & 52/48)	20s to 40s	Knitting & Weaving
Cotton/Modal & Cotton Excel blend yarn	20s to 40s	Knitting & Weaving
Supima/Modal & Supima/Tencel yarn	30s to 50s	Knitting & Weaving
100% VSF, Micro Modal, and Tencel yarn	30s to 60s	Knitting & Weaving
Tri-blend yarn (Cotton/Polyester/Cellulosic)	24s to 40s	Knitting

GHCL's Karthigai Yarn division has recently inaugurated a cutting-edge unit in Manaparai, dedicated to the production of high-quality synthetic and synthetic blend compact yarn. With a strong focus on delivering exceptional products at competitive costs, the new facility is equipped with state-of-the-art machinery and advanced technology. The management team at the unit is fully committed to upholding the highest standards of quality, environmental sustainability, health, and safety, and they are actively working towards obtaining ISO certifications shortly.

The Karthigai unit plays a vital role in job creation, providing employment opportunities to over 350 individuals across three shifts, with a particular emphasis on empowering women in the workforce. More than 70% of the unit's workforce comprises talented women. The unit boasts an impressive production capacity of 23 tons per day, supported by a total of 39,600 ring spindles.

To ensure the production of the finest yarn, the Karthigai unit has made significant investments in quality control equipment. This includes state-of-the-art tools such as the Uster High Volume Instrument for Raw Material testing, Uster AFIS Pro, the latest generation Uster Tester 6, Uster Tensojet 5 for in-process cotton testing, and Statex quality control equipment. The highly trained team at the unit excels in selecting suitable raw materials, optimizing automated blend propositions, and consistently enhancing yarn quality.

GHCL's Karthigai unit is committed to pushing the boundaries of excellence in yarn production, combining advanced technology, skilled craftsmanship, and a strong emphasis on quality control. Through their dedication to delivering superior products, the unit contributes to GHCL's reputation as a leading yarn manufacturer, providing customers with exceptional synthetic and synthetic blend compact yarns.

Consumer Product Division

In 1999, GHCL embarked on a new venture in consumer product manufacturing with a focus on producing and trading edible salt. Our Consumer Product Division (CPD) operates across a sprawling 3,220-acre area known as Veda salt works, located in Vedaranayam, Tamil Nadu. This extensive facility positions us as one of the largest manufacturers of raw salt in the region, with an impressive capacity of approximately 0.1 million metric tons per annum (MTPA) depending upon weather conditions.

To further expand our capabilities in salt production, GHCL operates a state-of-the-art salt refinery in Chennai. With a capacity of 0.1 million MTPA, this refinery specializes in refining edible salt to the highest standards. Our product line encompasses both edible salt for human consumption and industrial-grade salt for various applications.

At GHCL, we place great importance on quality and safety. Our edible salt refinery strictly adheres to internationally recognized standards, including ISO 22000:2018 for food safety management systems and ISO 9001:2015 for quality management systems. These certifications ensure that our consumable goods meet the highest standards of quality, safety, and hygiene.

With our commitment to excellence, adherence to rigorous standards, and a focus on producing top-quality edible salt, GHCL has established itself as a trusted name in the consumer product manufacturing industry.

Intellectual Capital

Intellectual capital plays a crucial role in GHCL's operations and growth strategy. It encompasses various intangible assets such as brands, reputation, patents, copyrights, intellectual property, design, R&D, and innovation capabilities.

1,274

Kaizens implemented

GHCL recognizes the significance of developing technological competence, fostering an innovative culture, and investing in infrastructure to drive technological advancements.

The COVID-19 pandemic has underscored the importance of digital technology adoption in the new normal. GHCL understands this shift and acknowledges the value of leveraging digital technologies to enhance productivity and unlock new opportunities for value creation. The company believes in the philosophy of "**न हि ज्ञानेन सदृषम पवित्रमिह विद्यते**" (there is nothing as sublime and pure as knowledge), highlighting the crucial role of knowledge and intellectual capital in driving progress. GHCL identifies significant growth opportunities in its current location in Sutrapada and its greenfield project in Kutch, Gujarat. The company is dedicated to improving its manufacturing capabilities and has implemented advanced technologies that align with global standards. GHCL has made focused investments in research and aligned its business strategies to adapt to the changing macro-economic environment. It demonstrates agility in responding to evolving policies and the energy landscape while prioritizing the development of its human resources.

To overcome market challenges, GHCL emphasizes competency in research and innovation. The company conducts systematic reviews, analyzes growth and performance, and aligns its investments and innovation efforts accordingly. GHCL approaches its projects with a comprehensive understanding of these aspects, ensuring they are well-positioned for success.

Moving forward, GHCL aims to leverage its intellectual capital to implement effective procedures, establish precise and quantifiable targets, and prioritize timely actions to reduce emissions, decrease specific-energy intensity, and increase the use of renewable energy sources. Upgrading technology infrastructure and optimizing existing processes will contribute to reducing the company's carbon footprint and support the development of a low-carbon economy. GHCL is committed to driving sustainable practices and leveraging its intellectual capital to achieve long-term success.

We at GHCL believe that **"विद्या ददाति विनयं, विनयाद्याति पात्रताम्। पात्रत्वाद्धनमाप्नोति, धनाद्धर्मं ततः सुखम्।।"** This shloka emphasizes the transformative power of knowledge and intellectual capital. It highlights that true knowledge not only imparts wisdom but also instills humility and a sense of worthiness in individuals. It further suggests that through this worthiness, one can attain material wealth and success, which should be guided by righteousness and ethical values. This aligns with GHCL's commitment to intellectual capital, innovation, and responsible business practices, recognizing that knowledge, humility, and ethical conduct are essential for long-term success and happiness

Product innovation

GHCL is dedicated to advancing research and development to drive transformation in economies, societies, and address climate change challenges. The company remains committed to integrating state-of-the-art and cost-effective technologies into its operations, aiming to provide groundbreaking solutions that minimize carbon footprint, support environmental sustainability, and promote energy efficiency.

To support its R&D efforts, GHCL collaborates with premier chemical engineering institutes and reputable consultants. In the pursuit of innovation, GHCL has initiated several projects:

Alternative route for the manufacture of sodium carbonate

1

GHCL has commissioned a professional agency to conduct research on developing an alternative route for the production of Soda Ash using selective catalytic conversion technology. This project aims to address the scarcity of quality raw materials, particularly limestone. The proposed process eliminates the need for a lime kiln, leading to significant savings in limestone usage.

Alternative brine purification method

2

GHCL is actively working on developing an alternative method for brine purification that does not require the use of Soda Ash. This project focuses on finding a cost-effective and sustainable solution. GHCL is collaborating with experts and conducting various experiments to evaluate the technical and commercial feasibility of this alternative process. Progress has been made, and preliminary work indicates the possibility of removing hardness in raw brine without the use of Soda Ash. The company is currently finalizing a contract to carry out detailed research in this area.

Installation of carbonation tower with higher capacity

3

GHCL has upgraded its carbonation tower by replacing the old tower with a new one that has a higher capacity. The new tower is equipped with the latest technology to accommodate the increasing production capacity and optimize space utilization in the plant. Technical expertise for this project was obtained from an overseas expert agency.

Through these R&D initiatives, GHCL aims to enhance its technological capabilities, improve process efficiencies, and develop sustainable alternatives. The company's commitment to research and innovation reflects its dedication to driving positive change and staying at the forefront of the industry.

Intellectual Capital contd...

Some of the initiatives taken by GHCL to strengthen Intellectual capital are highlighted below:

Application technology

GHCL has developed 'True Trace', a digital traceability platform based on QR code technology. It provides transparency and trust in the supply chain, specifically for special cotton varieties like Egyptian cotton. The platform has undergone third-party auditing and offers complete traceability from cultivation to the end product. It ensures authenticity, strengthens accountability, and fosters long-term business associations. By implementing 'True Trace', GHCL demonstrates its commitment to innovation and customer satisfaction, promoting supply chain transparency and integrity. This platform enhances trust, assures quality, and builds sustainable relationships with stakeholders, establishing GHCL as a leader in the special cotton industry.

Digitization and automation

GHCL, a prominent soda ash industry player in India, is embracing digital transformation for sustainable future growth. The first phase of this endeavor entails three crucial aspects: implementing a historian system, automating weighbridge operations, and developing analytical models for optimizing the carbonation tower process. The analytical model aims to enhance efficiency and streamline operations within the carbonation tower. By leveraging advanced technologies and data analytics, GHCL is poised to achieve improved productivity, cost-effectiveness, and operational excellence. This digitization journey underscores GHCL's commitment to innovation and ensures its position at the forefront of the soda ash industry.

Historian system for quality and sustainable production

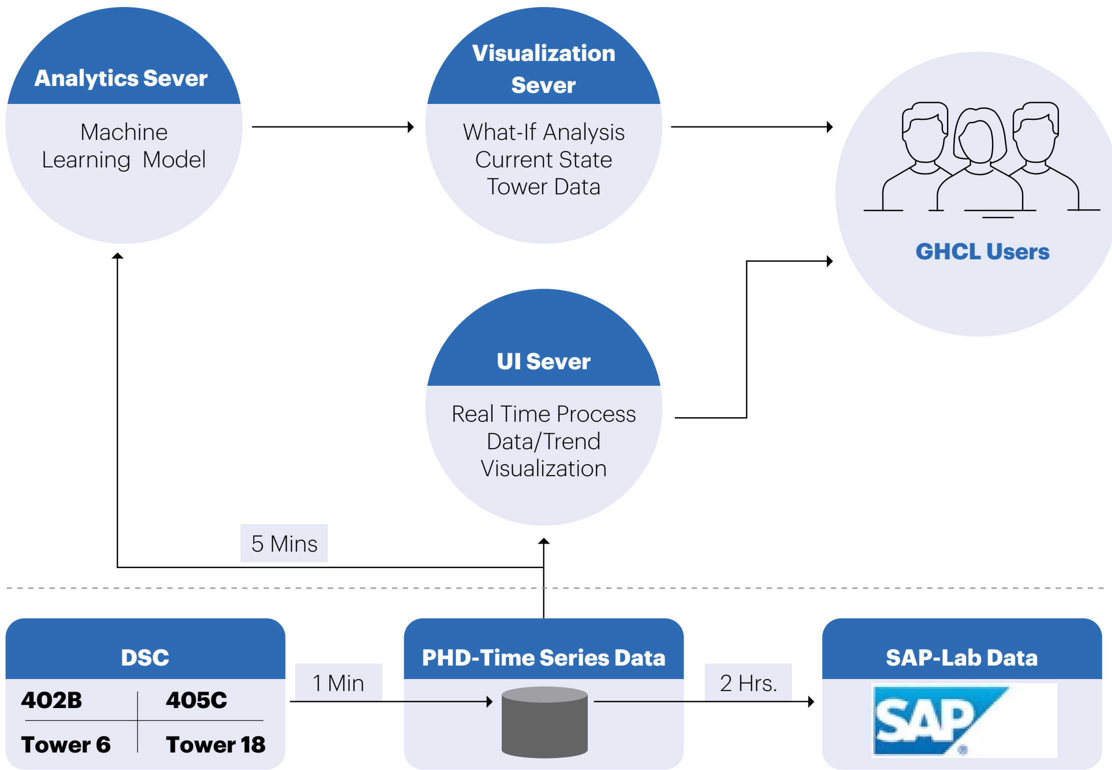
To ensure quality and sustain production in a continuous running plant with solid and liquid raw material processes, the implementation of a reliable data storage and retrieval system is crucial. GHCL has successfully addressed this need by adopting the Honeywell Ph.D. historian system for its soda ash process and boilers plant. This system efficiently stores critical process data for a period of 5 years, enabling the Company to maintain high-quality standards and support sustainable production.

One of the key advantages of the historian system is the ability for authorized personnel to remotely access the stored data. This remote access facilitates real-time monitoring of the process, allowing for immediate intervention if any deviations or issues arise. Furthermore, the system supports trend analysis and statistical analysis, empowering personnel to identify patterns and optimize the process for improved efficiency and performance.

By leveraging the data stored in the historian system, GHCL can make informed decisions and plan for the future. The historical data serves as a valuable resource for conducting in-depth analysis, identifying areas for improvement, and implementing effective strategies. Additionally, the system's capability to store and retrieve data provides a foundation for future analytical projects, supporting ongoing innovation and development.

Overall, the implementation of the Honeywell Ph.D. historian system has proven to be a successful investment for GHCL. It ensures the availability of critical process data, promotes data-driven decision-making, and contributes to the company's overall goals of maintaining quality and achieving sustainable production.

System Architecture

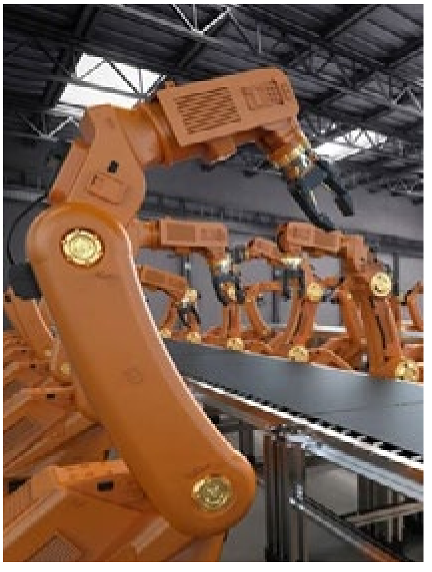


Enhancing our intellectual capital thorough Robotic Process Automation (RPA)

GHCL is driving digital transformation through the adoption of Robotic Process Automation (RPA). This powerful software tool automates and replicates manual, rule-based, and repetitive tasks, improving efficiency and productivity. As part of our RPA initiatives, we have successfully conducted trials for auto posting of ASN (Advanced Shipping Notice) using BOTs, and we are also working on digitizing raw material document handling and automating invoice processing. By the Q1 of FY 2023-24, we aim to implement these applications across various functions to streamline repetitive activities.

The implementation of RPA will bring several benefits, including increased productivity, elimination of manual intervention, enhanced user satisfaction, and improved speed and accuracy in our operations. Moreover, RPA will play a vital role in managing our end-to-end green field projects. From planning and budgeting to monitoring, review, and control, RPA will assist in every stage of project setup, ensuring efficiency and effective management.

By leveraging RPA technology, GHCL is poised to optimize our processes, enhance operational performance, and drive sustainable growth. We remain committed to embracing digital solutions that enable us to deliver exceptional results while maximizing the value we provide to our stakeholders.



Intellectual Capital contd...

Branding and marketing

We recognize the crucial role that branding and marketing play in ensuring our long-term success. The way our products are branded has a profound impact on how our customers perceive them, leading to increased awareness and recognition. At GHCL, we have diligently cultivated a reputation for producing high-quality, affordable, and reliable products over the years. Our branding and marketing communications embody our core values of honesty, transparency, and ethical conduct.

Our primary objective is to establish a strong and trustworthy relationship with our consumers, as well as to protect and enhance the value of our brand. To achieve this, we have redoubled our efforts in building a robust brand and projecting a professional image. Through various social media platforms, we have effectively engaged with our target audience, strengthened our corporate reputation, and heightened brand recognition. These platforms have allowed us to reach a wider segment of the population and raise awareness about our products and values.

By prioritizing branding and marketing, we are committed to fostering trust among our customers, potential clients, employees, and communities. We continuously seek to learn from industry best practices and adapt them to our own strategies, ensuring that our brand remains relevant, impactful, and resonates with our stakeholders

Online kaizen reporting system, Sutra pada

In our pursuit of digital transformation and the elimination of manual processes, we launched an Online Kaizen reporting system in December 2022 using the SAP module. This online kaizen reporting system has imparted following benefits:

1. Paperless kaizen reporting
2. Easy to track approval
3. Convenient data reporting
4. Time saving in reporting and approval
5. Easy to retrieve past kaizen entries, linkage to the equipment on which kaizen is performed, supporting documents and photos attachment facility

Certifications and Credentials Dashboard

Supima - America Pima Cotton

Egyptian cotton - Genuine Egyptian cotton grown exclusively in Egypt

Better cotton Initiative

Five Star Rating by British Safety Council

ISO 22000, ISO 14001& ISO 9001 at Edible Salt Refinery

ISO 14001 : 2015 - Environmental Manaement

Halal Certification

Total Quality Management certification

Sustainable Textile Production

Global Recycle Standard

Occupational Health & Safety management system

Cotton Made in Africa

Fair Trade

SIMA techno facts Survey 2012-2013 Awarded 1st rank

EKO-TEX : Made in Green

Global Organic Textile Standard

Global Organic Textile Standard-Processing standard for textiles made from organic fibers

Six sigma Implementation

Cotton Leads

OKO-TEX certifcation, from CITIVE, Portugal

Great place to work

ISO 9001 : 2015-Quality Manaement

India Manufacturing Excellence Award

GHCL Limited achieves ISO 22000 certification for food grade Sodium Bicarbonate

GHCL Limited, a leading chemical manufacturer, is proud to announce the successful completion of the ISO 22000 Food Safety Management System certification audit for our food-grade product, sodium bicarbonate. This certification exemplifies GHCL's unwavering commitment to delivering safe and top-quality products to our valued customers in the food industry.

The ISO 22000 standard is globally recognized and sets forth comprehensive requirements for ensuring food safety throughout the entire supply chain. By achieving this certification for our sodium bicarbonate product, GHCL showcases its dedication to upholding the highest standards of safety and quality in the food industry.

The ISO 22000 certification reinforces our continuous improvement efforts and highlights our customer-centric approach. It underscores our commitment to meeting the evolving demands of our customers while adhering to stringent food safety regulations. With this achievement, GHCL further solidifies its position as a trusted partner and supplier in the food industry, offering peace of mind to our customers and end consumers alike.

We remain steadfast in our pursuit of excellence, innovation, and continuous improvement to deliver safe, reliable, and superior-quality products to our esteemed customers in the food industry.

Human Capital

GHCL strongly believes in the power and potential of human capital, guided by the philosophy that अमंत्रमक्षरं नास्ति नास्ति मूलमनौषधम। अयोग्य: पुरुषो नास्ति, योजकस्तत्र दुर्लभ: means every word holds the power of a mantra, every plant possesses herbal qualities, and every individual has inherent value.

We recognize that human capital encompasses the knowledge, skills, and health that individuals accumulate throughout their lives, enabling them to contribute as productive members of society.

At GHCL, our people are our greatest assets, forming the foundation of our success. They play a significant role in making GHCL a great place to work. In this rapidly changing and unpredictable world, effective management of human capital is of paramount importance.

We are dedicated to talent assessment, talent development, and succession planning for critical positions, fostering internal growth and fulfilling the career aspirations of our people. We also proactively mitigate human capital risks and align our key result areas with high performance, cost-effectiveness, customer centricity, sustainability, and good governance. Our HR functions have been digitized, streamlining processes from hiring to retirement. We have implemented e-learning initiatives through renowned platforms like SAP Success Factors, with content designed by Skillsoft.

Our goal is to create a value-driven, high-performance learning organization within an engaged and digitized environment, establishing GHCL as the employer of choice. This aligns with our HR mission, which is in harmony with our corporate vision. We are committed to fostering an environment that values learning, drives performance, and ensures employee engagement, positioning GHCL as an employer that attracts and retains top talent.

In conclusion, our HR mission is summarized as follows: "Our endeavor is to create a value-driven, high-performance learning organization within an engaged and digitized environment, establishing GHCL as the employer of choice."

Our Human Capital believe in the philosophy of "अध्येष्यते च यः श्रेयः, प्रवृत्तिमार्गणं च यः। स विद्यामयते लोके, मनोवृत्तिं नियोजयेत्।।" means "The one who pursues knowledge and righteous conduct, Leads a life filled with wisdom, guiding their own thoughts and actions. This also emphasizes the importance of knowledge, continuous learning, and the right course of action. It suggests that those who seek knowledge and embody ethical behavior not only gain wisdom but also influence the thoughts and actions of others. This aligns with GHCL's focus on creating a learning organization, fostering talent development, and establishing an engaged and digitized environment. The shloka reinforces the idea that by valuing and nurturing human capital, GHCL can position itself as an employer of choice, attracting and retaining top talent for long-term success.

Driving culture at GHCL

Performance Highlights

16,000 +
Training person hours

9.5%
Executive cadre's employee attrition rate

26%
Overall average attrition rate

36%
Female workforce

28
HSE stewards

0.81
LTIFR

Our people have always been a valued and indispensable part of GHCL, serving as a crucial differentiating factor for our success. We firmly believe that nurturing and strengthening our human capital, commonly known as HR, is of utmost priority. Despite facing challenges, our team has shown remarkable resilience in navigating the business landscape, fostering innovation, and promoting sustainability to establish a distinctive presence.

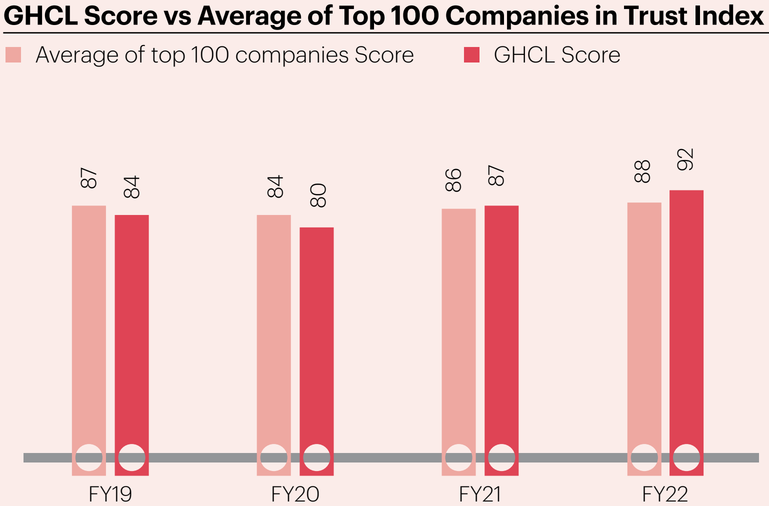
We are dedicated to creating a workplace where each employee is inspired to grow continuously. Investing in human capital remains a top priority as they are the backbone of GHCL's progress. We take pride in the significant role our employees have played in making GHCL an exceptional place to work over the years.

With a workforce of more than 7,088 individuals across the country, our employees have displayed an incredible commitment to building an agile, responsive, and productive work environment. This commitment aligns with our strategic priorities of value-enhancing growth and strong ESG commitment. We make substantial investments in employee welfare, learning and development programs, and performance excellence initiatives. We encourage our employees to participate in skill development activities and align their skillsets with the evolving needs of the organization. Our work culture promotes safety, health, diversity, competency enhancement, and overall well-being.

GHCL has consistently participated in the rigorous evaluation survey conducted by the Great Place to Work (GPTW) Institute known as the "Trust Index Employee Survey." This evaluation is based on the Culture Audit People Practices Framework, ensuring a consistent experience for employees across all demographics. GHCL has achieved excellent performance in the Great Place to Work – Trust Index Survey for seven consecutive years. The GPTW certification acknowledges our efforts to provide a positive work environment where employees feel supported, valued, and engaged. This year, the GPTW survey was open to all employees, making the award even more meaningful and impactful.

Furthermore, GHCL has been recognized as one of the Top 50 Great Places to Work in Manufacturing, achieving a high Trust Index score of 92. This accomplishment reflects our commitment to fostering a high-trust culture that empowers employees to unleash their full potential.

GHCL Score vs Average of Top 100 Companies in Trust Index Survey



Human Capital contd...

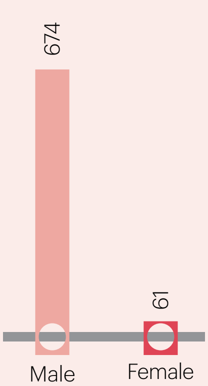
Our primary goal is to ensure that our employees are motivated, safe, and provided with a secure environment to carry out their responsibilities effectively and efficiently. We offer tailored programs, including succession planning for key positions, to enhance their competency and skills. By evaluating their current skill levels and providing customized training, we aim to further develop their capabilities.

We strive to build an empowering culture characterized by respect, trust, accountability, and integrated teamwork. This culture encourages our employees to take ownership of their work and fosters perseverance. We believe that by creating such an environment, our employees can excel in their roles and contribute to the company's success.

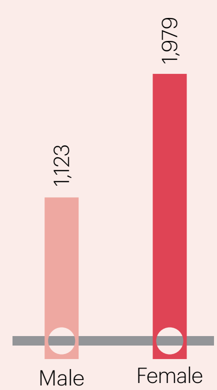
Furthermore, we prioritize the well-being of our employees by providing a safe and secure workplace. We continuously assess and improve our safety measures to ensure their physical and mental well-being. By nurturing a supportive environment, we enable our employees to thrive and reach their full potential, resulting in enhanced productivity and job satisfaction.

Total permanent workforce, by gender, for FY2022-23

Employee headcount

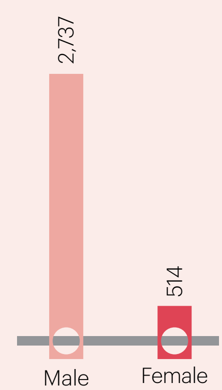


Worker headcount



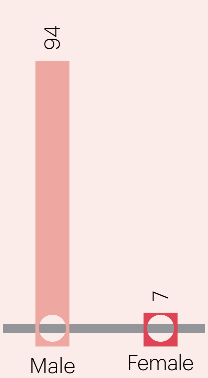
Total contractual workforce, by gender, for FY2022-23

Contract workforce headcount

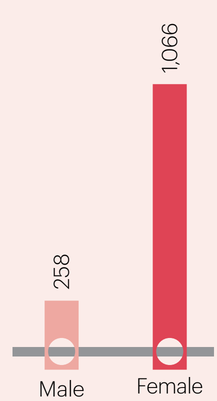


New hire data, by gender, for FY2022-23

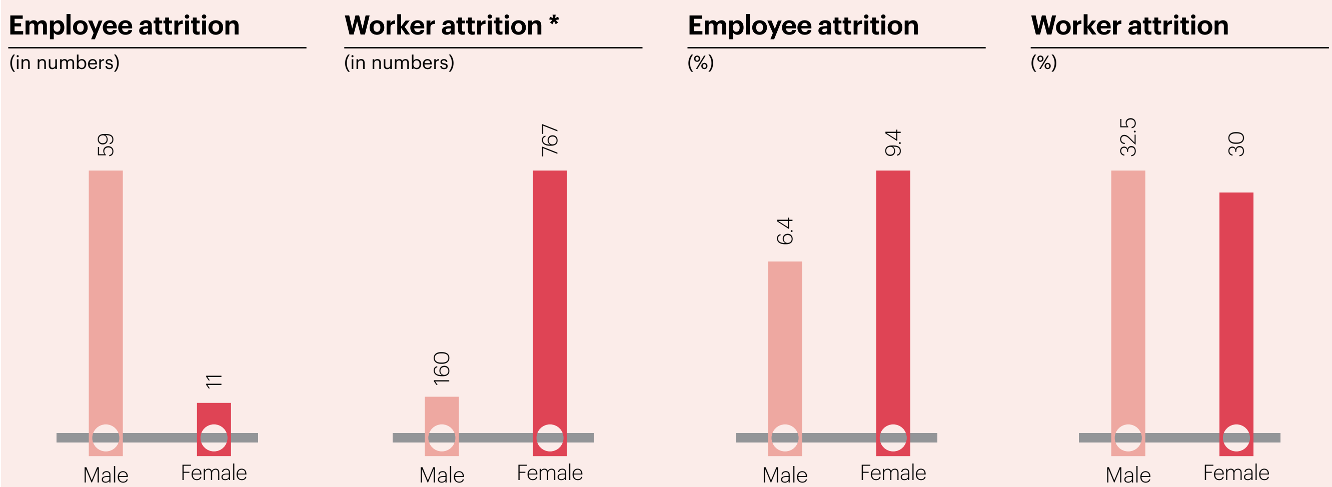
New hires: employees



New hires: workers



Turnover, by gender, for FY 2022-23



* for FY 2022-23, the high attrition is mainly observed due to women employees engaged in Yarn Division, during agriculture season.

HR strategy and processes

Our HR mission is at the core of our organization's success, as it focuses on fostering a high-performing culture within an engaged and digitized work environment. We recognize the importance of creating an environment where employees feel motivated, empowered, and inspired to excel in their roles. To achieve this, our HR team plays a crucial role in facilitating a culture of continuous learning and development.

We prioritize equipping our employees with the necessary knowledge and skills to understand customer needs and collaborate effectively across different business units. Through various training programs, including tailored classroom sessions and project-based training, we ensure that our workforce possesses the expertise to provide customized solutions to our customers. These programs also help evaluate and enhance the current skill levels, motivation, and personality traits of our employees, enabling us to make targeted interventions for their growth.

Effective communication is a cornerstone of our HR practices. We have established multiple channels to engage with our employees, such as GHCL Digest, MILAP (meetings with employees at different levels), Shopfloor interaction, GHCL TEA (Timely Engagement with All), and GHCL Townhall. These platforms provide opportunities for open dialogue, knowledge sharing, and addressing concerns or suggestions from our employees.

To address HR-related issues proactively, we conduct regular "Apex Meetings" where the Chief Human Resources Officer (CHRO) and regional/divisional HR heads come together to identify and resolve challenges swiftly. By involving key stakeholders, we ensure that our HR policies and strategies align with the needs and aspirations of all our business units, geographic locations, and employees.

In our continuous pursuit of excellence, we conduct monthly "HR Operational Review" meetings. These meetings provide a platform to discuss the implementation of HR initiatives, policies, and practices. It allows us to assess progress, identify areas for improvement, and seek alignment with the Managing Director (MD) and senior management to address any disparities or concerns promptly.

We take great pride in our participatory management style, where we encourage employees to actively participate in decision-making processes. This approach not only fosters a sense of ownership but also leverages the collective intelligence and diverse perspectives within our organization.

To enhance employee engagement, motivation, and performance, we have recently implemented several initiatives. These include core value training programs like "ज़िम्मेदारी की शक्ति" (Power of Responsibility) for both workmen and executives. We have also introduced value-based driven programs and surveys to strengthen our organizational values and reinforce their importance in daily work. Moreover, we have revamped our rewards and recognition policy at the Soda Ash plant in Sutrapada, ensuring that exceptional contributions are acknowledged and appreciated.

Talent management is a key focus area for us, and we have implemented the GHCL प्रतिभा मंच (GHCL Talent Forum) program, which includes a Career Development Plan based on a three-dimensional model at the Soda Ash plant in Sutrapada. This program enables employees to chart their growth path and align their aspirations with organizational goals.

In line with our commitment to nurturing technical talent, we have signed Memorandums of Understanding (MOUs) with ITIs (Industrial Training Institutes) at Sutrapada for the Welder trade and ITI Una for AOCP & Electrician Trade. These partnerships provide industry-relevant training to workers, enhancing their employability and bridging the skills gap.

Furthermore, our commitment to maintaining harmonious employee relations is evident through our long-term settlement agreements with unions representing the workmen. These agreements reflect our dedication to fostering a cooperative and collaborative work environment.

Overall, our HR practices are aimed at creating a culture that values and supports our employees, fosters their growth and development, and ensures their well-being. Through effective communication, continuous learning opportunities, participatory

MD Speak

In MD speak our managing director interact with all the employees on quarterly basis and give update on company performance during the quarter and the future outlook of the company. During the session each one is open to raise questions and the same is answerd by the MD.

MILAP

MILAP (Medium of Interactive Lateral and actionable Partnership) meet has been scheduled periodically and all the suggestions/feedback are being tracked/monitored accordingly.

DISHA

DISHA meet has been scheduled periodically wherein strategy map and decisions have been made by the senior leadership team

INCARNATION

GHCL TEA (Think, Experiment & Adopt) is launched in the GEMS platform to invite the IDEAS.

To improve operational efficiency, GHCL launched a 5S initiative in partnership with QCFI and defined high-performance culture contributors, with a three-year roadmap in place.

GHCL's initiatives to improve employee engagement and performance

GHCL has recently undertaken a series of proactive initiatives to elevate employee engagement, motivation, and overall performance, specifically targeting their soda ash plant in Sutrapada. These initiatives encompassed a comprehensive Core Value Training program, Value-based Driven Programs and Surveys, and an enhanced rewards and recognition system.

To begin with, GHCL conducted a Core Value Training program that aimed to reinforce the organization's core values and cultivate a strong value-based work culture among employees. This program enabled employees to align their actions with the Company's vision and mission, ensuring a shared understanding and commitment to organizational goals.

Additionally, GHCL introduced Value-based Driven Programs and Surveys to gather employee feedback and insights. These initiatives provided a platform for employees to express their opinions, contribute ideas, and actively participate in shaping the Company's culture and operations. By involving employees in decision-making processes, GHCL fostered a sense of ownership and empowered them to contribute meaningfully to the Company's success.

Furthermore, GHCL revamped its rewards and recognition policies to create a more impactful and performance-driven system. The introduction of a High-Performance Reward for workmen showcased the Company's commitment to acknowledging and rewarding exceptional performance. This incentive scheme motivated employees to achieve and surpass targets, encouraging a culture of excellence and continuous improvement.

The implementation of these initiatives has yielded significant benefits for GHCL. Employee engagement and motivation have witnessed marked improvements, resulting in enhanced productivity and efficiency levels. By investing in their workforce and fostering a culture of high performance, GHCL has successfully created an environment where employees feel valued, inspired, and motivated to excel.

These initiatives not only contribute to GHCL's reputation as a great place to work but also serve as catalysts for achieving strong business outcomes. By prioritizing employee engagement and performance, GHCL has demonstrated its commitment to creating a thriving work environment that propels both individual and organizational success.

GHCL's initiatives to partner with Indian Institute of Management Ahmedabad (IIMA) for its leadership development program

GHCL understands the essence of true leadership and believes in leading by example. In order to cultivate and foster exceptional leadership qualities, GHCL has partnered with the prestigious Indian Institute of Management Ahmedabad (IIMA) for its leadership development program.

The IIMA, a globally acclaimed institute, has a rich history of revolutionizing the world of business, management, strategy, and policy. It has produced exceptional leaders who have made a mark in various sectors, including the Indian business industry, government offices, social sectors, entrepreneurial ventures, and international arenas.

The programs offered by IIMA are meticulously designed to cater to an organization’s specific needs and ensure its overall growth and development. With IIMA's guidance, organizations can undergo a transformation that will enable them to achieve their goals and become leaders in their respective fields.

1. Exposure to various industries
2. Real-time case studies Case
3. Leadership Enhancement
4. Analytical Skills
5. Executive presence

At GHCL, we are excited to embark on this journey with IIMA and are confident that our collaboration will pave the way for a new era of outstanding leadership. We believe that actions speak louder than words and we are committed to leading by example, setting the bar high for others to follow.

Human Capital contd...

GHCL Performance Management System

The GHCL Performance Management System is a robust framework designed to measure, evaluate, and enhance employee performance at GHCL Limited. This system encompasses various components such as goal setting, feedback, performance reviews, and developmental opportunities. Its primary objective is to align individual performance with organizational goals while fostering continuous improvement and growth.

In line with the digital era, GHCL has embraced the digitalization of its Performance Management System. By leveraging technology, the company has streamlined and automated several aspects of the process. This includes utilizing digital platforms and software applications for activities like goal setting, performance tracking, feedback collection, performance reviews, and data analysis.

The digitalization of the system brings numerous benefits. It improves efficiency, accessibility, and accuracy in managing performance, enabling real-time monitoring and reporting of performance metrics. It also facilitates remote work arrangements and supports seamless communication and collaboration between managers and employees.

To further enhance the digitization efforts, GHCL has implemented the GHCL Employee Management System (GEMS). GEMS automates and digitizes all HR processes, ranging from recruitment and on-boarding to performance and goal management, as well as learning and development initiatives. This comprehensive integration of HR processes promotes efficiency and provides a unified and user-friendly experience for employees.

Through the adoption of digital tools and platforms, GHCL has successfully transformed its Performance Management System, creating an automated and digitized environment. This shift eliminates the reliance on manual processes, enhances productivity, and empowers employees to manage their performance effectively. GHCL's commitment to digitalization reinforces its dedication to staying at the forefront of HR practices and promoting a culture of continuous improvement and development.

On-Boarding

This provides newcomers with a smooth onboarding experience, particularly on a digital platform.

Performance & Goal Management

Performance & Goal Management System tool, employees can manage their goals in advance and efficiently monitor their performance

Employee Central

This assists employees and employers in storing information such as employment details, biographical information, and other documentation required for organization records in the system.

Learning Management System

This allows employees to access learning at their leisure, whenever and wherever they want.

GHCL Talent Management System

Strategy for improving the culture & thereby the perception of our People

- **C** – Communicate everything
- **A** – Appreciate everything
- **R** – Respect everything
- **E** – Engage everyone
- **S** – Synthesize 'CARES' whenever possible

Our succession planning strategy is a comprehensive and strategic program aimed at ensuring a seamless transition of qualified individuals into leadership roles. It involves a step-by-step procedure designed to identify and develop potential leaders within the organization.

The seven-step procedure begins with identifying key positions that require succession planning. We analyze the skills, knowledge, and attributes needed for success in these positions. Next, we identify high-potential employees who exhibit the potential to fill these roles in the future.

Once identified, we provide targeted training and development opportunities to these individuals. This includes mentorship programs, leadership workshops, and specialized training to enhance their skills and competencies. We focus on developing their leadership abilities, decision-making skills, and strategic thinking capabilities.

As part of the succession planning process, we also create a clear trajectory for each position, outlining the career path and growth opportunities available. This allows individuals to understand the expectations and requirements of each role and work towards acquiring the necessary skills and competence.

Throughout the process, we continuously monitor the progress and performance of potential leaders. This includes regular assessments, feedback sessions, and performance evaluations to track their development and identify areas for further improvement.

Our succession planning strategy also emphasizes the importance of diversity and inclusion. We strive to identify and develop leaders from diverse backgrounds, ensuring a well-rounded and inclusive leadership pipeline.

By implementing seven-step procedure, we aim to ensure a robust succession planning process that nurtures and prepares individuals to take on key leadership positions in the future. This strategic approach not only ensures continuity and stability within the organization but also promotes professional growth and career advancement for our employees.

1. Identification of critical positions
2. Identification of potential employees
3. Mapping of position and potential
4. Development assessment center
5. Gap identification
6. Development plan for successors
7. Review of development plan

GHCL Policies

GHCL has successfully implemented employee friendly polices to enhance good culture and establish formal expectations and standards. Thus, fostering a supporting and pleasant workplace for everyone.

Executives grievance redressal policy

GHCL HR team acknowledges the value of its executives and their grievances. We recognize that such grievances reflect their discontent with their working conditions. To address this, we have established a formal grievance redressal system, known as the Executive Grievance Redressal Policy. This policy covers all GHCL executives at Level 1 and above and has been designed to provide a structured and effective mechanism for addressing executive grievances.

GHCL HR team has recently implemented this Policy through the GEMS platform. It has been designed with the objective of providing a formal mechanism for executives to raise any grievances they may have, and to ensure that such grievances are addressed and resolved in a timely manner. The policy has established a two-level council system to ensure that executives have access to a fair and effective grievance redressal process.

Council 1

Grievance Redressal Committee

- Committee shall ensure that grievances are dealt effectively in accordance with the grievance Redressal procedures
- Committee will be reconstituted every two years or maybe extended for another tenure
- The designated Team Member (Location Coordinator) of the HR team, shall be notified and can access the grievance
- A grievance shall be acknowledged within two days of receipt

Council 2

Apex Grievance Redressal Committee

- This committee is constituted for the grievance escalation mechanism
- Any complaint not satisfied with the redressal of complaint by the Grievance Redressal Committee may escalate the complaint to the Apex Grievance Redressal Committee with proper explanation
- The Apex Grievance Redressal Committee would communicate the response within thirty days to the complainant and its decision shall be considered final

Human Capital contd...

Prevention of Sexual Harassment Policy (POSH)

The Company maintains a strict zero-tolerance policy towards sexual harassment in the workplace and takes full responsibility for identifying and preventing such behavior. We are committed to creating a safe and respectful working environment for all employees.

In line with this commitment, we have established clear guidelines and procedures to address allegations of sexual harassment. Any reports or complaints related to sexual harassment are taken seriously and handled with utmost confidentiality and sensitivity.

Our approach to dealing with sexual harassment is prompt and decisive. Upon receiving a complaint, a thorough investigation is conducted to gather all relevant information and evidence. If the complaint is substantiated, appropriate disciplinary actions will be taken, which may include warnings, reprimands, suspensions, or termination of employment, depending on the severity of the offense.

Furthermore, we fully support and encourage individuals who have experienced sexual harassment to come forward and report the incident. We assure them that they will be protected from any form of retaliation and that their concerns will be addressed promptly and fairly.

In cases where necessary, we will provide assistance and support to the affected individuals to facilitate legal action against the harasser. We believe in holding individuals accountable for their actions and ensuring that our policies and procedures are strictly enforced.

By maintaining a zero-tolerance approach and taking proactive measures to prevent and address sexual harassment, we strive to create a workplace that is respectful, inclusive, and free from any form of harassment or discrimination. Our commitment to this policy reflects our dedication to fostering a positive and supportive work environment for all employees.

HR data privacy policy

In response to the escalating digitalization and the rise of corporate cybercrime, businesses are giving utmost importance to identifying, preventing, and addressing information security threats and data breaches. To align with this need, we have implemented a comprehensive HR personal data privacy policy. Our policy is designed to uphold our vision and ensure the confidentiality, security, and integrity of personal data. We are committed to implementing robust administrative, technical, personnel, and physical safeguards to safeguard personal data from loss, theft, and unauthorized access or alterations. Through this policy, we strive to protect the privacy rights of individuals and maintain the highest standards of data security.

Employee wellness

At GHCL, we prioritize the overall well-being of our employees and actively support their work-life balance to enhance productivity. To address the importance of mental health, we have implemented various programs and initiatives. One such program is "My Mental Health, My Priority," in collaboration with Tava Mitram. Through this program, we aim to raise awareness and provide resources for mental health support. Additionally, we have taken several measures to create a positive employee experience, ensuring their well-being remains a top priority. These initiatives are designed to foster a healthy and supportive work environment that promotes both physical and mental well-being.

Maternity leave policy

GHCL recognizes the importance of supporting employees during significant life events such as childbirth and adoption. We have established generous maternity leave policies to ensure the well-being of our employees and their families.

Maternity leave at GHCL is granted for a duration of 26 weeks, allowing new mothers to bond with and care for their newborns. Additionally, employees are entitled to a maximum of one month's leave for any illness arising from childbirth, be it for the mother or the child.

In the case of legal adoption of a child under three months of age, GHCL extends maternity benefits for a period of 12 weeks from the time the child is entrusted to the adoptive mother. This ensures that adoptive parents have ample time to establish a nurturing and supportive environment for their newly adopted child.

These maternity leave provisions reflect our commitment to promoting work-life balance and supporting our employees during important milestones in their lives.

We believe in creating an inclusive and family-friendly work environment that values the well-being of our employees and their families.

Leave Policy

GHCL recognizes the importance of work-life balance and acknowledges that executives may have various personal commitments and occasional health needs. To support their well-being and enable them to fulfill their family responsibilities, GHCL provides a paid leave allowance of up to 40 days per calendar year.

This paid leave can be utilized by the executives to attend to family commitments, minor illnesses, or simply to take time off and rejuvenate themselves. It offers flexibility for executives to manage their personal and professional lives effectively.

By granting this paid leave allowance, GHCL demonstrates its commitment to promoting a healthy work-life integration for its employees. This initiative recognizes that employees' personal lives and well-being are integral to their overall satisfaction and productivity in the workplace.

GHCL encourages its employees to utilize this leave as needed, fostering a positive and supportive work environment that values the holistic needs of its workforce.

Employee health and safety

We are committed to continuously improving occupational health and safety management at GHCL to ensure the well-being of our employees and create a safe workplace environment. Our Environment, Health, and Safety (EHS) policy, objectives, and standards are designed to prioritize the safety and health of our workforce across all our manufacturing plants. To achieve this, we have implemented several measures to create a safe environment for our employees. These include:

1. **Identifying, understanding, controlling, and eliminating workplace hazards:** We proactively assess and address various hazards, such as those related to man-machine interface, process safety, and fire hazards. By identifying potential risks, we can implement preventive measures to mitigate them effectively.

2. **Skill improvement and competency enhancement:** We focus on developing the skills and competence of both our employees and contractual workers through training programs and initiatives. This ensures that they have the necessary knowledge and capabilities to work safely and efficiently.

3. **Reduction of manual interventions:** We strive to minimize manual interventions by implementing automation and advanced technologies where possible. This helps reduce the risk of accidents and injuries associated with manual tasks.

4. **Monitoring exposures and implementing controls:** We continuously monitor exposures to potential hazards and implement appropriate controls to mitigate risks. This allows us to identify areas for improvement and take timely actions to ensure the safety of our workforce.

In line with our commitment to safety, we adhere to international safety standards and continually improve our safety management systems. We regularly assess and track our health and safety performance to ensure that we meet and exceed industry standards.

To enhance safety practices and communication, we conduct shop floor meetings periodically. These meetings serve as a platform for two-way communication, enabling us to engage with workers, address their concerns, and foster a positive relationship. It also provides an opportunity to reinforce our core values, vision, mission, and code of ethics.

At GHCL, we are dedicated to maintaining a safe and healthy working environment for our employees and contractors. We continually strive to strengthen our safety measures, uphold industry standards, and promote a culture of safety throughout our organization.

Safety Management System

GHCL places the utmost importance on the safety of its employees and is committed to providing a favourable working environment. To enhance safety performance, the management conducts thorough assessments of past incidents and investigates their root causes. Safety Cardinal Rules have been implemented across all locations to prevent similar incidents from occurring again. To ensure compliance with these standards, a Consequence Management System has been put in place, providing guidelines for addressing any non-compliance. The effectiveness of these measures is regularly reviewed and improved upon.

To further strengthen safety practices, GHCL has implemented a Safety Management System that sets standards for occupational health and safety improvements. This system includes the development of standard operating procedures (SOPs), work instructions, and daily record-keeping. By aligning day-to-day operations with the company's Environment, Health, and Safety (EHS) policy, GHCL ensures that safety remains a priority throughout its operations.

Employee participation is actively encouraged in incident reporting, safety observations, and near-miss reporting, fostering a culture of safety and well-being. Although there have been few lost-time incidents during the reporting year, GHCL conducts detailed investigations to determine the causes and takes corrective measures to prevent their recurrence.

To improve reporting processes, GHCL has transitioned from a hard copy format to using a Google form for near-miss reporting. This change has simplified the

system and increased the number of near-miss reports, encouraging employees at the shop level to actively participate in safety reporting.

GHCL is committed to achieving its Sustainability Vision 2023, which includes a target of "Zero Accident and Zero Incident" across all manufacturing units. In the event of an untoward incident, the company conducts a thorough investigation and implements corrective actions to prevent their future occurrence.

During FY 2022-23, GHCL reported one fatality at the Soda Ash plant during undersize unloading at the RMH limestone. A detailed investigation of the incident was conducted and taken corrective steps. These measures are aimed at enhancing safety practices, reducing risks, and ensuring the well-being of employees at GHCL. The company remains dedicated to continuously improving its safety measures and preventing accidents and incidents in the future.

Senior Executive Round

The top management participates with the HODs on a fortnightly basis for Plant Audit, recording the observations and taking view of the progress of safety measures.

Focus on avoiding repetition of injuries and accidents

Ensuring all the designed preventive actions are adequate and proper barrier of safety system is in place without any loophole.

Safety Interaction Program

It is a well-defined approach of making provision for the safety team to develop a safe working environment. It is carried out on a quarterly basis.

OSH Improvement Initiatives

For the overall OSH improvement, a designated team of HSE committee members are involved in the system development, based on their previous learning experiences to develop an action plan for the same.

Awards

To provide motivation to both our permanent and contractual employees, awards such as 'Best Safety Champion' and 'Best Contractor safety Performance' are awarded on a periodic basis

Training and Mock drills

GHCL has a comprehensive training calendar in place to provide mandatory training to all workers. We employ various methods to ensure effective knowledge dissemination, including seminars, mock exercises, and assessments. Seminars facilitate interactive discussions and knowledge sharing on important safety topics. Mock exercises simulate real-life scenarios to test employees' response and enhance their emergency preparedness. Assessments measure individual competency and identify areas for improvement. We value employee feedback and actively seek suggestions to enhance training compliance and participation. By incorporating their input, we create successful training modules that address on-the-job responsibilities effectively. Our goal is to foster a culture of continuous learning, ensuring that all employees have the necessary skills and knowledge to perform their tasks safely. Through these training methods, GHCL maintains high safety standards and promotes a safe working environment for all.

- Training Calendar
- Training Need Identification for Company Employees and Contractor Workers
- Virtual Training Virtual Sessions
- Shop floor Training
- SME Training
- Mock Exercise

Social & Relationship Capital

At GHCL, we promote inclusiveness, diversity and well -being all while taking guidance from our Sanatan Philosophy अयं निजः परो वेति गणना लघुचेतसाम्। उदारचरितानां तु वसुधैव कुटुम्बकम्।।" This Sanskrit Shloka highlights the inclusive nature of corporate social responsibility and the belief in the interconnectedness of all beings.

It reminds GHCL that the concept of ownership and boundaries should not be limited to narrow self-interests but should extend to embrace the well-being of the entire world. By considering the world as one big family ("वसुधैव कुटुम्बकम्"), GHCL embraces a holistic approach to CSR, acknowledging its responsibility towards the broader community and working towards the betterment of society as a whole.

GHCL is deeply committed to being a socially responsible organization and maintaining strong relationships with all stakeholders. We prioritize conducting business in a sustainable manner, considering the economic, social, and environmental impact, and respecting the interests of our stakeholders. Upholding the highest ethical standards, we aim to make a positive impact on the communities we operate in.

Our dedication to Corporate Social Responsibility (CSR) remains unwavering. We are pleased to report an increase in our CSR commitment, from Rs. 10.62 Cr. in 2022 to Rs. 12.01 Cr. in 2023. Fulfilling our CSR obligations, we have utilized a CSR Fund of Rs. 12.31 Cr. during FY 2022-23. Our CSR initiatives primarily focus on the Soda Ash plant in Sutrapada, the Green Field project in Kutch, and our Yarn manufacturing facilities in Tamil Nadu.

Through our CSR activities, we strive to support the underprivileged, marginalized, and needy sections of society, while also creating social infrastructure for their well-being. We actively pursue initiatives that enhance the health, well-being, and quality of life for our employees, communities, and the environment. Moreover, we are committed to providing clean, safe, healthy, and fair working conditions for our employees and business associates/partners.

Social & Relationship capital encompasses an organization's interactions and connections with its internal and external stakeholders, including employees, suppliers, customers, shareholders, society, and regulatory authorities. GHCL, with a significant presence in Gujarat and Tamil Nadu, recognizes the value of these stakeholders and prioritizes maintaining strong and sustainable relationships with them.

At GHCL, we are deeply committed to conducting business in a manner that is economically, socially, and environmentally sustainable, while always considering the interests of our stakeholders. Our unwavering dedication to upholding the highest ethical standards allows us to make a positive impact on the communities we engage with.

We understand the importance of fulfilling our commitments and strive to ensure the protection of our stakeholders' interests. By adhering to our ethical values, we aim to foster long-term relationships and sustain the trust and support of our stakeholders. Through transparent communication and responsible business practices, we continuously work towards building a mutually beneficial and enduring relationship with all our stakeholders.

Performance Highlights

Rs. 20.83 Cr

Worth CSR projects implemented

7

Partnerships with NGOs, trusts and government agencies

Rs. 12.31 Cr.

Contribution to CSR

1 lacs+

CSR beneficiaries impacted

We recognize that enhancing our social capital is essential for achieving sustainable business growth. Our strong and mutually beneficial relationships with stakeholders are a cornerstone of our outstanding performance.

Safeguarding the needs and aspirations of our stakeholders is paramount. To ensure their satisfaction, we actively engage with them through various platforms, allowing us to understand and address their concerns effectively.

Our approach to socially responsible growth is practical, well-structured, and responsible. We prioritize compliance by establishing robust systems and processes for our stakeholders to follow. We provide a safe and healthy workplace for our suppliers, contractors, and employees, fostering a conducive environment for growth.

We are committed to maximizing operational performance and generating profits for our investors while fulfilling our responsibilities to the local communities we operate in. Our engagement with these communities aims to have a positive and meaningful impact on their lives.

By nurturing and enhancing our social capital, we strengthen our position as a responsible and sustainable organization, promoting long-term success for all our stakeholders.

Community

GHCL has always been committed to building a purpose-led organization and nurturing strong relationships with the local community, which is a vital stakeholder for us. As a responsible corporate entity, GHCL has consistently demonstrated its philanthropic spirit by actively contributing to the betterment of thousands of lives in various regions. Our success lies in our ability to grow and thrive while maintaining a harmonious balance between financial and non-financial needs, in synergy with the community.

To ensure a meaningful and sustainable impact in the vicinity of our operating units, we have implemented a range of community development activities and established rigorous processes for due diligence, evaluation, and impact tracking. In 2010, we established the GHCL Foundation trust as our CSR arm, dedicated to engaging in responsible corporate citizenship initiatives. This trust plays a pivotal role in supporting our endeavors that extend beyond our business interests, thereby making a positive and lasting difference in society and the environment.

Our CSR initiatives encompass various critical areas, including healthcare, sanitation, education, rural development, agriculture and women's empowerment. We have launched numerous social development programs specifically targeting marginalized groups, particularly in rural India. Our CSR policy, available on our website, outlines the areas and criteria that guide our CSR activities.

By upholding our commitment to responsible corporate citizenship and fostering collaborative partnerships with the community, GHCL strives to create a sustainable and inclusive future for all.

Social & Relationship Capital contd...

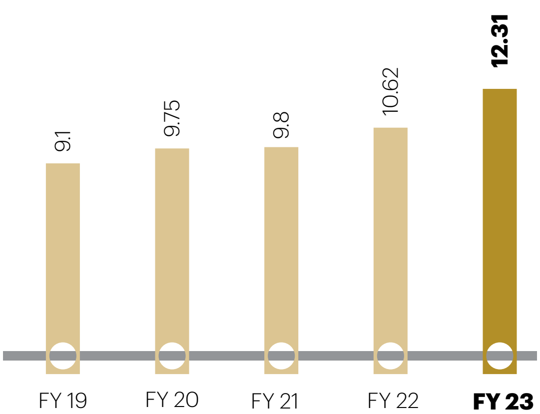
Implement initiatives through Multistakeholder approach that imparts "Inclusive Growth" in and around GHCL's areas of operations, over a period of time

Generate, through its CSR initiatives, a community goodwill for GHCL and help reinforce a positive & socially responsible image of GHCL as a corporate entity and uphold its 'Social License to Operate

Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders

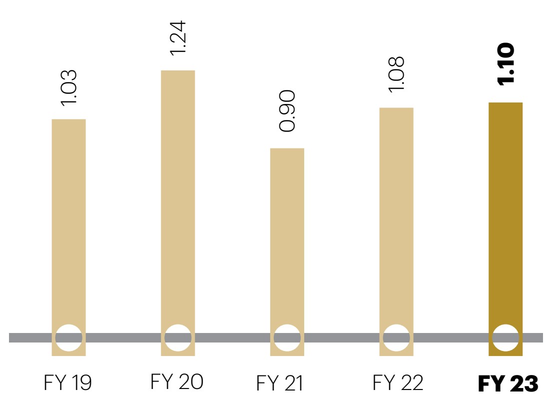
CSR Expenditure

(Rs. in Cr.)



Beneficiaries of CSR Projects

(numbers in lacs)



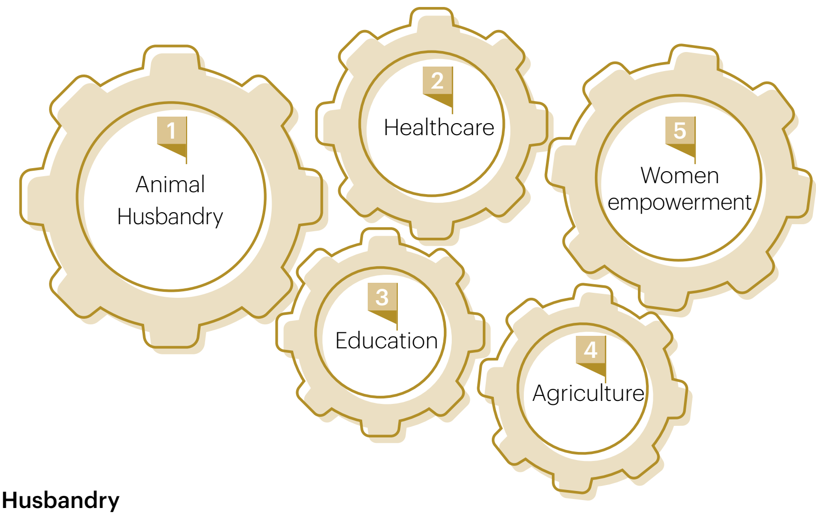
Community needs assessment program in Madurai

GHCL Foundation, Yarn division in Madurai, has proactively engaged in understanding the genuine needs of rural communities. To achieve this, the foundation collaborated with People's Action for Development (PAD), an NGO, to conduct a comprehensive need assessment survey. This survey utilized scientific tools and a rural appraisal approach, encompassing resource mapping, social mapping, and need assessment ranking exercises. The primary objective was to collect data from nearby village panchayats located within a 15 KM radius of the plant. The gathered information served as the foundation for designing targeted programs that directly address the identified needs of these rural communities.

To ensure effective project implementation and tangible results, a Board-level CSR committee oversees and supports our corporate social responsibility initiatives. This committee plays a crucial role in guiding and monitoring the implementation of various projects. At GHCL, we strategically invest in critical development areas to foster meaningful socio-economic progress within the community. Through our community engagement programs, we actively seek to understand and address community expectations, such as improving health, hygiene, employment opportunities, education, and infrastructure.

In summary, GHCL Foundation, Yarn division in Madurai, takes a holistic approach to community development by partnering with NGOs, conducting need assessments, and leveraging the expertise of a dedicated CSR committee. By focusing on the three key pillars of stakeholder value, namely community engagement, strategic investment, and addressing community expectations, we aim to create a positive and sustainable impact on the lives of individuals and the communities we serve.

Delivering stakeholder value through five key pillars:



Agriculture and Animal Husbandry

Several initiatives have been introduced to enhance the earning potential and resource efficiency of farmers in the communities surrounding GHCL's Sutrapada facility. The goal is to reduce input costs, increase productivity, adopt environmentally friendly practices, and create additional sources of income for the farmers.

To support the agricultural activities of the local communities, programs such as zero-budget farming and organic farming have been implemented. These initiatives aim to minimize expenses while maximizing productivity through sustainable and organic farming practices. Additionally, saplings are distributed annually to promote horticulture practices, further strengthening the agricultural-based livelihoods of the community.

24,280

Farmers were impacted through agriculture and animal husbandry program

Here are some highlights of the initiatives undertaken during FY2022-23:

Zero-budget farming

1

This program encourages farmers to minimize external inputs and adopt organic and natural farming practices. Reducing input costs and promoting sustainable agriculture, helps improve farmers' profitability

Organic farming

2

GHCL has been actively promoting organic farming practices among local farmers. This approach eliminates the use of chemical fertilizers and pesticides, ensuring healthier produce and protecting the environment.

Horticulture support

3

The distribution of saplings enables farmers to diversify their agricultural activities and engage in horticulture practices. This initiative not only generates additional income but also contributes to environmental conservation.

These initiatives reflect GHCL's commitment to supporting the agricultural community, promoting sustainable practices, and fostering economic growth in the region. By empowering farmers and encouraging environmentally friendly approaches, GHCL aims to improve the overall well-being and livelihoods of the communities it serves

Jal Jivan Mission-2 project: Impact of street plays for awareness of drinking water quality

The Jal Jivan Mission-2 project focused on creating awareness about the importance of clean drinking water. As part of this initiative, the project team organized and performed street plays in over 80 villages in the Sutrapada District and Veraval blocks of Gir-Somnath. These street plays proved to be highly effective in generating awareness among the residents of these villages and enabling them to express their concerns regarding the quality of drinking water.

The street plays served as a powerful medium to engage with the local community and convey important messages about the significance of clean and safe drinking water. Through creative performances and storytelling, the project team effectively captured the attention of the audience and conveyed the importance of maintaining water quality standards.

The impact of the street plays was evident in the heightened awareness and increased involvement of the village residents. The plays provided a platform for the community to voice their concerns and seek solutions for improving the drinking water quality in their respective areas. This engagement fostered a sense of ownership and empowerment among the residents, encouraging them to take action and actively participate in ensuring clean drinking water for their communities.

The success of the street plays in creating awareness and initiating dialogue demonstrates the effectiveness of using creative and interactive methods to address vital issues like water quality. The Jal Jivan Mission-2 project, through its street plays, has made a positive impact on the community by sensitizing them to the importance of clean drinking water and inspiring collective efforts towards achieving this goal.

Improving animal health through partnership: the livestock camp in Nedungulam panchayat, Madurai

The GHCL Foundation has taken several initiatives to improve the health and well-being of domestic animals in rural India. In partnership with the Department of Animal Husbandry, the foundation conducted successful livestock camps in Nedungulam, Thiruvedagam, and Thiruvalavayanallur panchayats in Madurai. The camps provided treatment and care to domestic animals, and an awareness campaign was conducted to educate the community about the importance of animal health. The foundation also vaccinated the animals against Lumpy skin disease, a common ailment that affects livestock in the region. These efforts demonstrate the commitment to improving the lives of people and animals in rural India.

Agriculture awareness program in Sutrapada

To promote cross-learning and enhance awareness about organic farming, we organized an interactive program in nine villages of Sutrapada. The program aimed to facilitate knowledge exchange and skill improvement among farmers engaged in organic farming practices. Farmers from different villages actively participated in the program, which was specifically tailored to increase awareness about agriculture and organic farming techniques. The program was designed as a platform for farmers to learn from one another, share experiences, and gain valuable insights into sustainable agricultural practices.

Through practical training sessions, the farmers received hands-on guidance and instruction on various aspects of agriculture and organic farming. They were introduced to innovative techniques, such as natural pest control, composting, and crop rotation, that help minimize environmental impact and promote long-term sustainability. The interactive nature of the program fostered a collaborative learning environment, enabling farmers to exchange ideas and best practices. By showcasing successful organic farming models and highlighting the benefits of sustainable agriculture, the program aimed to inspire and empower farmers to adopt environmentally friendly practices.

The training sessions not only improved the farmers' understanding of organic farming principles but also emphasized the importance of preserving soil health, conserving water resources, and reducing reliance on chemical inputs. These sustainable practices contribute to the overall well-being of the farmers, the environment, and the community at large.

By facilitating cross-learning and providing practical training, the program contributed to the farmers' knowledge and skills in organic farming. It is expected that the participants will implement the acquired knowledge in their farming practices, leading to increased productivity, improved soil health, and a reduced ecological footprint.

Overall, the interactive awareness program served as a valuable platform for farmers to learn, share, and embrace sustainable agricultural practices, promoting a more environmentally conscious approach to farming in the participating villages of Sutrapada.

Educational and vocational training

7,624
Students benefited.

We place a strong emphasis on empowering youth and creating opportunities for their skill development and livelihood enhancement, particularly in the areas surrounding our facilities. We aim to transform young girls into self-sufficient women by encouraging their participation in education and skill training programs.

To achieve this, we collaborate with schools and educational institutions to provide vocational education to economically weaker section (EWS) students. By offering vocational training, we strive to equip them with practical skills that can enhance their employability and limit the migration of youth for better opportunities.

Our foundation also works closely with Anganwadi workers, parents, and expecting/nursing mothers to promote the importance of education and its long-term impact on life and livelihood. We engage with parents to raise awareness about the benefits of education and encourage them to support their children's educational journey. In addition to academic support, we believe in holistic development and engage students in various extracurricular activities. These activities include story-telling sessions, tree-planting initiatives, and craft competitions, which help foster creativity, environmental consciousness, and community engagement.

To further promote comprehensive development, we organize science fairs, and student competitions, and offer specialized Mathematics and English classes for secondary school students. These initiatives aim to enhance skills and knowledge in these subjects, preparing them for future academic and professional endeavours.

Through our concerted efforts, we strive to provide a supportive and enriching environment for youth, enabling them to acquire essential skills, gain knowledge, and explore their potential. By investing in their education, vocational training, and overall development, we aim to empower them to become self-reliant individuals who can contribute positively to their communities and lead fulfilling lives.

Better education: The "Illam Thedi Kalvi" project in Madurai

The "Illam Thedi Kalvi" project, an initiative of the School Education Department in Madurai, aims at addressing academic gaps caused by the COVID-19 lockdown. This initiative is expected to benefit students, including primary school students and upper primary school students across centers present in nearby villages.

The project demonstrates the Foundation's commitment to improving education and its willingness to partner with government agencies to achieve this goal.

Empowering parents for better education outcomes: विद्या ज्योति (Vidyajyot) program in Rajula block

As part of our Vidyajyot program, GHCL Foundation's SMC Division organized a parent-teacher meeting in the villages near Rajula block. The objective of the meeting was to engage parents of Anganwadi kids and encourage their active participation in their children's education. The meeting provided a platform for parents and teachers to discuss the progress and challenges faced by the students, promote regular attendance, and emphasize the importance of education. By facilitating this interaction, we demonstrated our commitment to empowering parents and creating a conducive environment for better education outcomes for the next generation.

The Lignite division implements welfare activity by distributing school kits

The Lignite Division of GHCL left a lasting impact on the students and their families at Bholavadar Prathamik Shala and Khadsaliya Kendravarti Prathamik Shala near the Khadsaliya Lignite Mine. During the celebration of the school enrolment drive, known as "Shala Praveshostav" by the Government of Gujarat, the division generously gifted school kits to the students. Each kit contained a school bag and essential stationery items. The distribution of these school kits received high praise from teachers and parents, who commended GHCL for its involvement in organizing such programs. This initiative exemplifies our dedication to the local community and our contribution to the education and growth of children.

Healthcare

Recognizing the challenges faced in accessing standard healthcare in rural India due to inadequate infrastructure, GHCL is committed to providing primary healthcare services to the surrounding areas of our operations. Our healthcare initiatives primarily focus on preventive healthcare and the overall well-being of the local population near GHCL's operations.

To promote good hygiene and prevent illnesses, we offer free preventative healthcare programs and educational sessions to the local community. These initiatives encompass cancer camps, eye camps, medical services, and health check-ups. We have also intensified our support for marginalized groups, especially women, by providing cataract surgeries and cancer screenings. GHCL Foundation actively organizes permanent and mobile camps in nearby villages to screen children for waterborne diseases, tuberculosis, and other health concerns.

In addition to our direct involvement in various sectors such as agriculture, animal husbandry, education, and healthcare, we collaborate with several NGOs to expand our impact and enhance the effectiveness of our projects. By working together, we aim to improve the quality of life for residents, both through our initiatives and joint efforts with partner organizations. During FY2022-23, we initiated the following projects to further advance our mission:

70,290

patients treated

Improving healthcare access in rural villages: GHCL Foundation's mobile medical unit in Madurai

GHCL Foundation's Mobile Medical Unit (MMU) provided services to over thousands of villagers from nearby villages in the Madurai district during the last month, improving healthcare access in rural areas.

Menstrual hygiene management training for adolescent girls in rural villages

In recognition of the significance of sanitation and hygiene for adolescent girls, particularly regarding privacy, dignity, safety, and self-respect, GHCL conducted a series of training programs for approximately 800 girls in nearby villages. These programs focused on menstrual hygiene management, addressing the various aspects related to menstruation. The Menstrual Hygiene Management Training for Adolescent Girls in Rural Villages played a vital role in enhancing the health and well-being of young girls in the region. By providing crucial information and fostering open conversations, the training sessions aimed to improve the girls' overall quality of life in the long run. This case study underscores the importance of addressing menstrual hygiene in rural communities and highlights the positive impact that targeted education and training can have on the lives of adolescent girls.

Promoting community health through Partnership: a case study of the Vadakkipatti health camp

GHCL Foundation and the Department of Public Health and Preventive Medicine organized a successful health camp in Vadakkipatti village, Manapparai. Over 250 villagers were provided with essential health services, including blood sugar tests, blood pressure checks, refractive tests for eye health, gynecological consultations, and general medical consultations. By working together, The HCL Foundation and the Department of Public Health and Preventive Medicine were able to provide essential health services to a large number of people in the Vadakkipatti community.

Social & Relationship Capital contd...

Employees

At GHCL, we prioritize the engagement of our employees as a crucial factor in promoting performance excellence. We strive to maintain a positive working relationship with all our staff members, creating a productive and supportive workplace environment. Our comprehensive HR initiatives encompass various dimensions of employee well-being, including physical, mental, and emotional aspects. We are committed to providing equal learning and growth opportunities to all employees, fostering an inclusive and diverse workforce.

As an equal opportunity employer, we encourage our employees to showcase their skills, share creative ideas, take calculated risks, and make decisions. Our HR department plays a central role in developing, implementing, and effectively communicating corporate values, policies, and practices. We ensure that all employees are treated with dignity and equality, aligning with employment and labor laws, corporate directives, and collective bargaining agreements.

We place a strong emphasis on enhancing employee learning and development, talent management, and succession planning. We recognize and appreciate the significant role each employee plays in our business's success. Through regular training and workshops organized by senior management, we support our staff in their personal and professional growth. We provide valuable on-the-job training and also encourage off-the-job education opportunities.

GHCL organizes a variety of formal and informal events for the benefit of our employees. We encourage employees to celebrate their birthdays and cultural days, fostering a positive workplace culture and strengthening relationships. Our commitment to creating a secure workplace has been consistently recognized, as GHCL has been ranked among the Top 100 in the Great Place to Work poll.

By prioritizing employee engagement, continuous learning, and positive work culture, we aim to create a fulfilling and thriving environment for our employees at GHCL.

Investors

At GHCL, we understand the importance of maintaining the trust and confidence of our investors. We are committed to keeping them well-informed about the company's strategy, plans, and performance. We employ various channels and platforms to communicate with our investors, including the Annual General Meeting, investor presentations, investor meetings, analyst calls, press conferences, and media releases. These avenues provide opportunities for investors to stay updated and engaged with our company.

As part of our commitment to good governance, we have established a dedicated platform for investor communication. This ensures transparency and accessibility for our investors. We also provide an investor grievance redressal tool to address any complaints or concerns raised by investors. Compliance with Regulation 46(2)(j) in the Listing Regulations is of utmost importance to us, and we have a designated e-mail address (secretarial@ghcl.co.in) specifically for investors' complaints. Additionally, we have a team of personnel assigned to serve and support our investors.

Our focus is on generating sustainable returns for our shareholders by carefully balancing risks and rewards. We continuously strive to enhance operational effectiveness, maximize profitability, and create long-term value for our investors. By maintaining strong financial performance and adhering to responsible business practices, we aim to produce the best possible returns for our shareholders in a sustainable manner.

At GHCL, we are committed to fostering a mutually beneficial relationship with our investors, providing them with the necessary information and support they require to make informed decisions.

Suppliers

At GHCL, we recognize the vital role that suppliers and contractors play in our expansion plans, and we consider them valued partners. With a wide supplier network spanning different regions, we must address key issues such as quality, safety, environmental impacts, and social aspects like human rights and fair wages in collaboration with our suppliers.

To meet the demands of our growing business, we prioritize building strong bonds and partnerships based on trust with our suppliers. We maintain regular communication with them, engaging in open discussions about our objectives, challenges, and expectations. Our supply chain is an integral part of our sustainability mission, and we actively seek suppliers who share our values and goals in this regard. We have implemented robust systems and procedures to assess and manage risks throughout the supply chain.

At GHCL, we are committed to fair and ethical practices in supplier selection. We follow a policy of local sourcing, actively engaging with local suppliers and vendors to contribute to the development of local economies and forge enduring relationships in the process. We emphasize the importance of adherence to the GHCL Code of Conduct for all our business associates.

As part of our continuous improvement efforts, we utilize the VendX platform to assess suppliers' Environmental, Social, and Governance (ESG) scores. We collaborate with suppliers who align with our sustainability goals and demonstrate a commitment to responsible practices. Through these initiatives, we aim to establish long-lasting and transparent relationships with our suppliers

In line with our Sustainability Vision 2023, we have made significant progress in reducing the impact of high-risk suppliers within our supply chain. In the fiscal year 2021-22, we evaluated 350 active vendors, identifying 190 as high-risk. By implementing effective risk management measures, we were able to reduce the number of high-risk suppliers to 76 in the fiscal year 2022-23, achieving a commendable 60% reduction in high-risk suppliers.

At GHCL, we remain dedicated to promoting sustainability and responsible practices throughout our value chain, and we continue to foster strong partnerships with our suppliers based on trust, mutual respect and shared sustainability goals

Supplier code of conduct

GHCL is committed to ensuring that all suppliers adhere to our Supplier Code of Conduct, which outlines the expectations and requirements for responsible and ethical practices. Our Supplier Code of Conduct covers several key areas:

1. **Labour, human rights, and other standards:**

   We expect our suppliers to uphold fundamental labor and human rights principles, including the prohibition of child labor non-discrimination, ensuring safe and healthy working conditions, reasonable working hours, fair compensation, the right to freedom of association, and the elimination of forced or coerced labor.

2. **Environmental policy:**

   We emphasize the importance of environmentally responsible practices throughout the supply chain. Our suppliers are expected to comply with relevant environmental laws and regulations, minimize their environmental impact, and adopt sustainable approaches in their production processes, product design, materials usage, and transportation systems.

3. **Ethics:**

   GHCL places a strong emphasis on ethical conduct and integrity. We require our suppliers to establish anti-corruption measures and conduct their business with the highest ethical standards. This includes fair and transparent practices in winning business, treating employees fairly, and managing partner relationships ethically. We encourage sustainable procurement practices throughout the supply chain, considering the impact of our activities "upstream."

4. Review and documentation policy:

We have established a systematic process for monitoring and reviewing supplier compliance with our Supplier Code of Conduct. This includes regular assessments and audits to ensure ongoing adherence to the code. We also maintain appropriate documentation and records to demonstrate compliance and track improvements.

By implementing and enforcing our Supplier Code of Conduct, GHCL aims to create a responsible and sustainable supply chain. We actively collaborate with our suppliers, providing support and guidance to help them meet these standards. Through these collective efforts, we strive to uphold our commitment to social responsibility, environmental stewardship, and ethical business practices.

Green Procurement Policy

At GHCL's Soda Ash division, we have implemented a Green Procurement Policy to ensure our commitment to environmental conservation is upheld throughout our value chain. We require all our suppliers and contractors to adopt sustainable strategic management practices, promoting responsible sourcing and manufacturing of materials. Our recommended principles for suppliers include:

1. Management systems:

Suppliers are encouraged to implement effective environmental management systems that raise awareness among their workforce and promote environmentally responsible behavior.

2. Continuous improvement:

Suppliers are expected to assess the environmental impact of their processes and products, establish objectives and targets for continuous improvement, and actively work towards reducing their environmental footprint.

3. Climate change:

Suppliers are encouraged to monitor and minimize greenhouse gas emissions by adopting appropriate technologies and practices that contribute to mitigating climate change.

4. Responsible use of resources:

Efficient use of energy, raw materials, and water is encouraged, aiming to minimize resource consumption and waste generation throughout the production processes.

5. Product stewardship:

Suppliers are urged to promote the reuse and recycling of products, considering the entire product life cycle and striving to minimize negative environmental impacts.

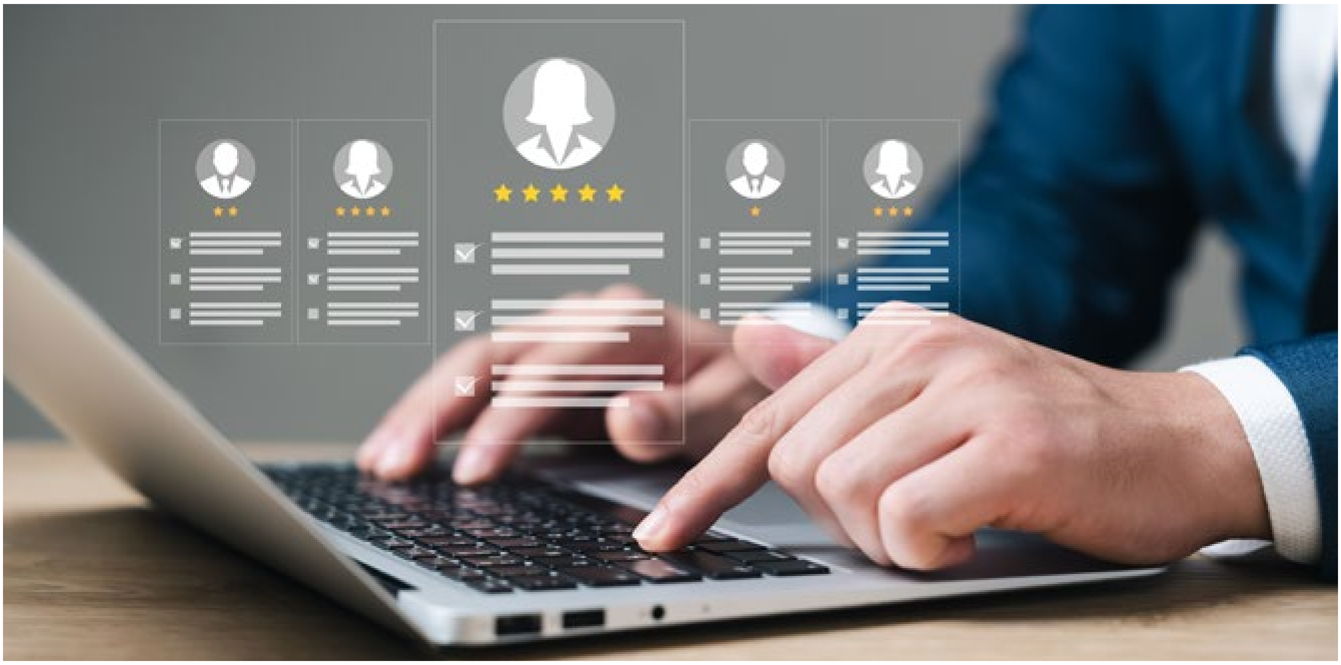
6. Respect for the environment:

Collaboration with suppliers is essential to improve the environmental profile of our products throughout their life cycle, minimizing their ecological footprint and promoting sustainability

7. Biodiversity:

Suppliers are expected to respect and preserve wildlife habitats and green belts in and around their sites, ensuring the conservation of biodiversity and the natural environment.

By adhering to these principles, our suppliers contribute to our overall sustainability efforts and help us achieve our environmental goals. Through close collaboration and continuous improvement, we can collectively foster a greener and more responsible supply chain.



Customers

GHCL is committed to providing the best customer experience while maintaining a sustainable and responsible approach to business. We understand the importance of finding the right balance between cost, revenue, and service to meet our customers' needs effectively.

Our customers are at the heart of our business, and we strive to continuously improve their value proposition. We listen to their feedback, understand their requirements, and adapt our products and services accordingly. By focusing on their overall well-being, we ensure that our offerings not only meet their expectations but also contribute to their safety and satisfaction.

As a responsible company, we prioritize informing our customers about the safe and responsible use of our products and services. We provide clear guidelines and instructions to ensure their well-being and to promote sustainable practices.

GHCL's long-term investment orientation plays a crucial role in the development of our growth strategies. By investing in research and development, innovation, and strategic partnerships, we aim to bring innovative solutions to the market that address our customers' evolving needs. These partnerships allow us to collaborate with industry leaders and leverage their expertise to deliver cutting-edge and sustainable products and services.

Through our customer-centric approach and commitment to responsible business practices, we aim to build strong and enduring relationships with our customers. By continuously improving our offerings and focusing on their satisfaction, we strive to exceed their expectations and drive our business forward responsibly and sustainably.

Live tracking of trucks

The Chemical division is in the process of rolling out the first-ever "Live Truck Tracking" facility in the industry. Once rolled out after successful beta testing, the Company expects this 'Live Truck Tracking' to be of great assistance to its customers in their material planning, stock management, etc.

Social & Relationship Capital contd...

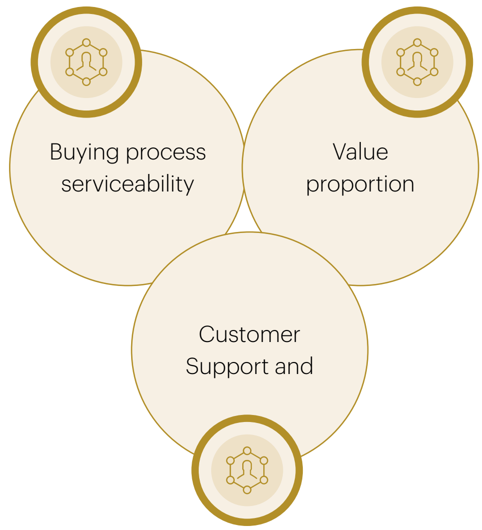
Robust distribution channel

The Company has created a robust distribution channel covering the entire India, with various depots/network for storage and local distribution of material. The team is constantly working to create more strategic depots. This, along with an omnipresent team of distributors/ facilitators and sub-traders, has taken the Company much closer to each customer in the country, bringing a unique edge to its customer-centric approach.

Customer Satisfaction Survey

Customer satisfaction is a major driving force behind business growth in terms of innovation, efficiency, effectiveness, and quality enhancement. We understand that communication is the key to success and thus we focus on communicating via multiple channels with existing as well as potential customers. We have established a customer grievance mechanism to effectively address our customer's concerns and grievances.

Our Sales & Marketing Team periodically conducts a detailed customer survey encompassing all geographies and industries of India, to understand customers' experiences, perception, and expectations. Our customer satisfaction survey guides us in improving aspects such as product quality, packaging, delivery performance, and customer service. Other than overall satisfaction, it includes three other segments, viz.,



We surveyed a total of 164 customers across geography and business lines to improve our business operation and create future action plans.

The results of the survey are as below:

Components	FY 2022-23
Buying process	83%
Value proposition	88%
Service quality	90%
Net promoter's score	85%

GHCL's 24-hour serviceability

GHCL has earned a strong reputation for its customer-centric approach, placing a high emphasis on understanding and fulfilling customer needs. As part of our commitment to exceptional service, we have implemented a 24-hour serviceability capability to cater to our customer's urgent requirements.

The ability to provide material within 24 hours has been well received by our customers, particularly in industries that have adopted just-in-time (JIT) management of raw materials. This assurance of prompt delivery has been highly appreciated, as it aligns with the evolving needs of manufacturing industries.

In the Chemical Division, we have strategically designed our infrastructure to ensure that over 80% of our customers demand in India can benefit from this 24-hour serviceability. Our endavour is to strengthen our capability further to meet our customer expectations.

By offering 24-hour serviceability, we aim to provide our customers with a competitive advantage in their operations, enabling them to optimize their production processes and minimize downtime. We understand the importance of reliable and timely supply chain management, and we continuously strive to enhance our infrastructure and operational efficiency to meet the evolving demands of our customers.

Through our customer-centric approach and commitment to service excellence, we aim to solidify our position as a trusted and preferred supplier in the industry. We will continue to invest in the necessary resources and technologies to ensure that we consistently meet and exceed our customers' expectations for timely and reliable delivery of materials.

Natural Capital

We recognize the significance of Natural Capital as a vital component in our value creation model, and we have taken proactive measures to demonstrate our commitment to the planet and address the challenges of climate change.

We understand the environmental impact of our operations on the ecosystem and local communities, and we are deeply committed to preserving the environment for the benefit of present and future generations.

As responsible corporate citizens, we strive to optimize resource utilization while ensuring operational efficiency. We adhere to all applicable environmental laws and regulations, prioritizing environmental protection and conservation. We continuously seek innovative solutions to align our products and processes with our environmental commitments. Our goal is to integrate sustainability into all aspects of our business operations and create value for all our stakeholders.

Performance Highlights

4 million MTPA
Inbound raw material

120 lacs GJ
Direct energy consumption

25 lacs kL
Freshwater consumption

9 MT
Hazardous waste disposal

2 lacs kL
Water recycled/ reused

5 lacs GJ
Indirect energy comsumption

12 lacs tCO_2
Scope 1 emission

0.33 lacs tCO_2
Scope 2 emission

8 lacs+ tCO_2
Scope 3 emission*

7 lacs KWh
Saving through energy initiatives

1.5 lacs MT
Non hazardous waste disposal

72%
Power requirement of yarn division is met through renewable energy

*We have reported Scope 3 emissions for the Soda Ash division for FY 2022-23 and will expand emission calculations across all divisions of GHCL in the coming years.

Under our Sustainability Vision 2023, we have set internal targets to reduce freshwater consumption, energy consumption, and waste generation. We have made significant progress towards achieving these targets and are currently developing Sustainability Vision 2.0 in collaboration with domain experts, focusing on the next five to seven years.

As a major player in the chemical manufacturing industry, we understand our responsibility towards the environment and the communities residing near our plants. We strictly adhere to safe manufacturing protocols and continually fine-tune our processes to minimize any negative impact. We recognize the risks associated with climate change and are dedicated to transitioning to a low-carbon organization.

Our environmental monitoring and management strategies undergo regular review and improvement to ensure their effectiveness. We maintain compliance with international standards such as ISO 14001 across all our sites, and we are actively planning for an energy management system implementation.

In 2022-23, we have made substantial progress in the management and consumption of natural resources. We prioritize sustainable practices and continuously seek opportunities to minimize our environmental footprint. By staying committed to our environmental responsibilities and actively seeking ways to improve our sustainability performance, we aim to be a leader in environmental stewardship within our industry.

Business division	Specific energy consumption(GJMT)	Specific freshwater consumption (kL/MT)	Specific emissions (tCO_2/MT)
Soda Ash	10.54	1.90	1.10
Yarn	14.42	10.96	0.89
CPD	0.17	0.13	0.05

*For the Yarn division, specific energy consumption has been increased to 72% due to source of energy being from renewable energy

Natural Capital contd...

Energy efficiency and carbon footprint reduction

We have experienced rapid growth as a business organization, and while profitability remains a key focus, we are equally committed to energy efficiency. As we expand, we are determined to maintain our course on energy efficiency and sustainability.

To improve energy efficiency and conserve resources, we have implemented various energy optimization initiatives across all our manufacturing sites. We have invested in state-of-the-art technologies, enhanced the performance of existing equipment, and implemented energy-efficient lighting systems throughout our plants and facilities. Regular awareness sessions are conducted to promote energy-saving practices among our employees. Furthermore, we have been actively expanding our renewable energy portfolio, incorporating wind and solar power to meet our energy requirements and reduce carbon emissions.

While we had set a target to reduce specific energy consumption by 10% under our Sustainability Vision 2023, this financial year has seen an increase of 9% in specific energy consumption due to yarn division. However, we remain committed to reducing our energy consumption in alignment with our targets.

As our production footprint expands, we recognize that our manufacturing processes are energy-intensive and have a significant impact on natural resources, resulting in greenhouse gas (GHG) emissions. In line with our commitment to the Paris Agreement, we have implemented internal carbon pricing for relevant business operations, promoting decarbonization and providing financial incentives for transitioning to low-carbon alternatives.

To drive our environmental efforts forward, we have engaged an external consultant who offers valuable insights and guidance to our team. This consultant has assisted us in implementing key initiatives, such as developing a Decarbonization Roadmap and an Internal Carbon Pricing (ICP) strategy. These initiatives help us identify areas for improvement and reduce our carbon footprint. Additionally, we have created a Physical Risk Adaptation Plan and are in the process of expanding our Scope 3 emission calculations across all GHCL locations. Scope 3 measurement presents a significant opportunity for improvement.

For GHCL, relevant Scope 3 indirect GHG emissions categories include:

Category 1:
Purchased Goods and Services

Category 4:
Upstream Transportation and Distribution

Category 5:
Waste Generated in Operations

Category 6:
Business Travel

Category 7:
Employee Commuting

Category 9:
Downstream Transportation and Distribution

Category 11:
Use of Sold Products

Category 12:
End-of-life Treatment of Sold Products

Through our collaboration with the external consultant, we are confident in accelerating our progress toward achieving our environmental goals. These initiatives, combined with our ongoing efforts, demonstrate our commitment to reducing GHG emissions and mitigating the impacts of climate change.

Introducing E-Vehicles

We are replacing electric vehicles in place of fossil fuel vehicles phase wise manner. These e-vehicles reduce carbon emission and operational cost.

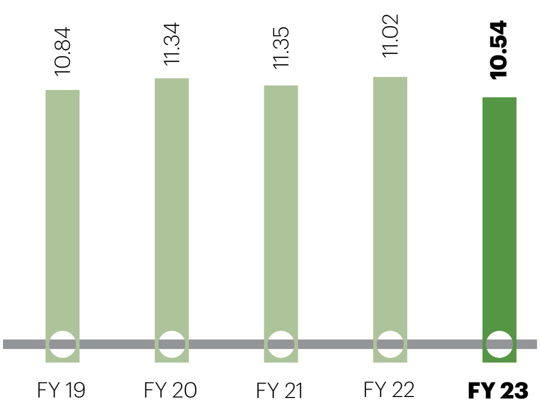
Development of packaging paper bags

GHCL is at trial phase to use paper bags. We are planning to test and fill trail paper bags for 25kg packaging.

This will help us to switch to biodegradable mode of packaging which will be eco-friendly packaging.

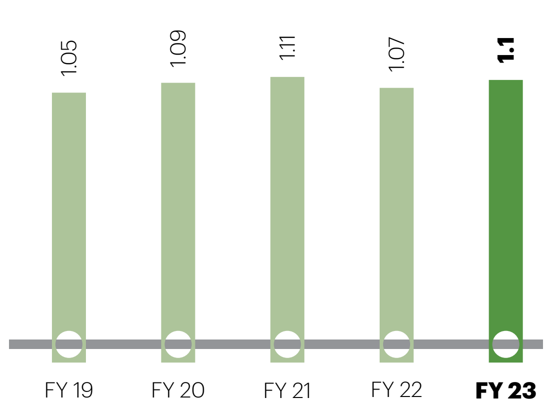
Soda Ash Energy Intensity

(GJ/MT)



Soda Ash GHG (Scope 1+2) Intensity

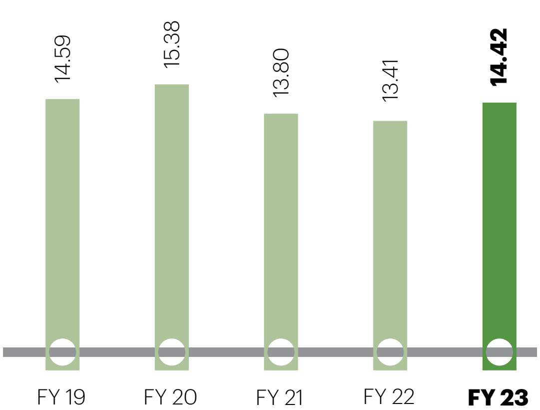
(tCO_2/MT)



*For FY 2022-23, we conducted GHG inventorisation with the help of an external consultant and added fugitive emissions and process emissions under Scope 1, thus increasing our emission intensity.

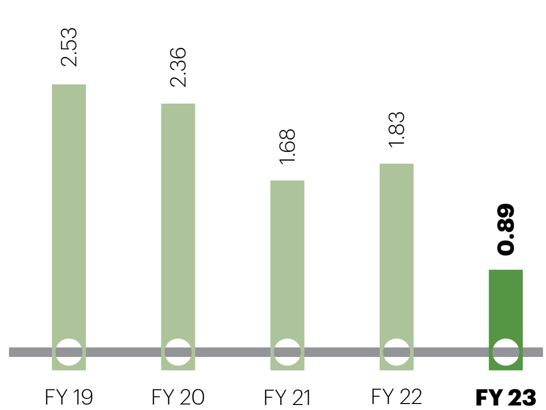
Yarn Energy Intensity

(GJ/MT)



Yarn GHG (Scope 1+2) Intensity

(tCO_2/MT)



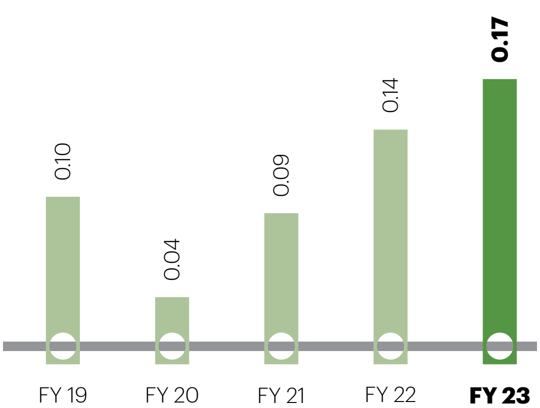
*In FY 2022-23, due to the market situation, we ran all of the machines at a slower speed for about three months. As a result, there was a corresponding decrease in production and an increase in energy intensity.

For FY 2022-23, we have significantly accelerated our efforts toward the expansion of our renewable energy portfolio and energy conservation activities, thus helping us achieve a decrease in emission intensity

Natural Capital contd...

CPD Energy Intensity

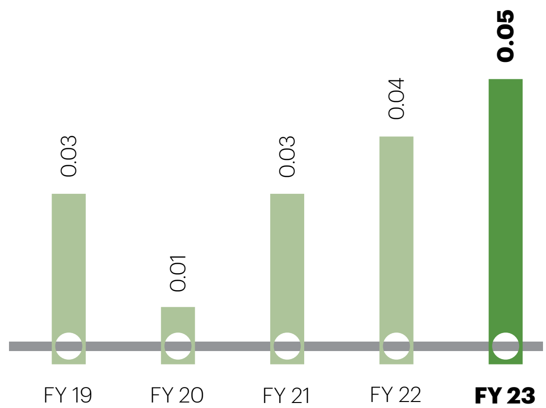
(GJ/MT)



*In FY 2022-23, due to the market situation, we ran all of the machines at a slower speed for about three months. As a result, there was a corresponding decrease in production and an increase in energy intensity.

CPD GHG (Scope 1+2) Intensity

(tCO_2/MT)



For FY 2022-23, we have significantly accelerated our efforts toward the expansion of our renewable energy portfolio and energy conservation activities, thus helping us achieve a decrease in emission intensity

Resource management

We prioritize the steady supply of major raw materials by adopting a comprehensive approach that includes local sourcing, captive production, and imports. This ensures a reliable and uninterrupted supply chain for our operations. We also place a strong emphasis on optimizing resource management throughout our value chain.

To track material usage and minimize waste, we have implemented robust monitoring systems. We strive to reduce material consumption through efficient production processes and actively promote the reuse of materials whenever feasible. Additionally, we emphasize the use of recycled materials in our manufacturing and packaging operations, aligning with the principles of the 3R philosophy: Reduce, Reuse, and Recycle.

Here are the quantities of major raw materials for which we have implemented resource management measures:

Business	Major raw material	Quantity	Measures taken
Inorganic Chemicals	Salt	2 million MT	• For Salt yield improvement we have taken various measures such as strengthening the inner and outer bund, an appropriate mix of sea and groundwater, prevention of seepage, and increased sourcing of washery salt
	Limestone	2 million MT	• For limestone, we are more focussed on the maximum use of captive resources along with procurement from local sources and imports to ensure a reliable and uninterrupted supply chain
	Briquette & Coke	0.09 million MT	• To be cost-effective, we have shifted a substantial quantity of met coke into coke fines briquettes by converting coke fines through our patented technology briquette plant and thereby reducing our cost significantly
	Anthracite	0.10 million MT	• In addition to the above, we have also imported sized anthracite coal which is cheaper than conventional met coke and also converting its fines into Anthracite briquette. • In light of the above, we have developed our expertise in the appropriate mix of the above fuels for cost reduction • Utilise fly ash waste generated by boilers to manufacture bricks and paver blocks
	Cotton & Manmade fibre	0.03 million MT	• Reutilise produced rugged fabric like denims and other lower end category fabrics by supplying to the garment manufacturer

By implementing these resource management initiatives, we aim to minimize waste generation, conserve resources, and contribute to a more sustainable and circular economy.

Water conservation and effluent management

Water availability and accessibility are indeed crucial concerns for us, and we are committed to practicing efficient water management and conservation throughout our operations.

Recognizing the importance of water as a critical resource, we have implemented various measures to reduce water usage and minimize wastewater generation. By adopting advanced technologies and optimizing our processes, we aim to maximize water efficiency in our operations. We actively promote the reuse of wastewater wherever feasible, ensuring that water resources are conserved and utilized responsibly.

As a responsible corporate entity, we are dedicated to supporting the UN Sustainable Development Goals (SDGs). Water conservation, reducing water consumption, and ensuring the availability of clean or treated water for our operations are integral parts of our sustainability initiatives.

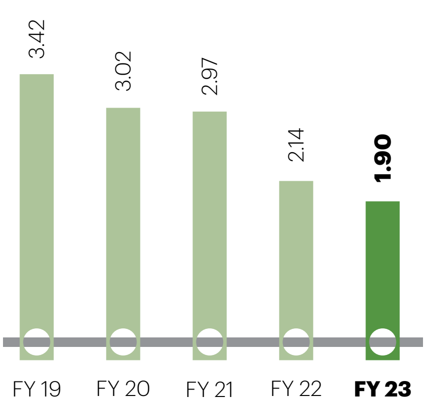
In addition to managing water resources within our operations, we also prioritize the provision of safe drinking water for the communities residing near our factory premises. We understand the significance of access to clean water for both our operations and the well-being of the communities we operate in.

To mitigate the risks associated with water scarcity, we have established a well-structured water management system. This system helps us identify potential risks, implement appropriate measures to address them and ensure the efficient and productive use of freshwater resources.

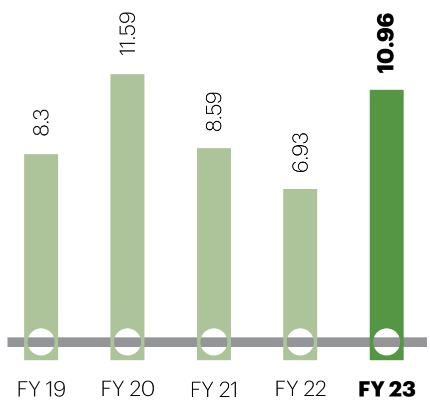
Through our continuous efforts in water management and conservation, we aim to contribute to sustainable water practices, protect this valuable resource, and minimize our environmental impact.

Natural Capital contd...

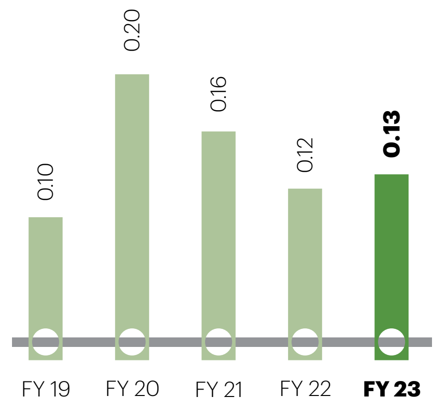
Soda Ash Water Intensity
(kL/MT)



Yarn Water Intensity Intensity
(kL/MT)



CPD Water Intensity
(kL/MT)



* For FY 2021-22 water intensity was 1.35 which was incorrectly reported. Upon recalculation, the correct value was found to be 0.12

Wastewater disposal and reuse

At GHCL, we are deeply committed to reducing freshwater consumption and promoting the reuse of wastewater as part of our water management practices. We have implemented effective wastewater treatment systems at all our manufacturing locations to ensure that the wastewater generated meets or falls below the permitted limits.

Recognizing the environmental consequences of untreated wastewater, we prioritize minimizing its impact on our surrounding areas. Our wastewater treatment systems are designed to efficiently treat and purify the wastewater generated during our operations, ensuring that it meets the required quality standards before being discharged.

We understand the importance of responsible water usage, and as part of our sustainability efforts, we work towards limiting our raw water withdrawal. Instead, we actively explore opportunities to reuse treated wastewater for various purposes within our operations. For example, we utilize treated wastewater for humidification processes and the development of green belt areas.

By promoting the reuse of treated wastewater, we aim to minimize water consumption, conserve freshwater resources, and reduce the overall environmental footprint of our operations. These measures align with our commitment to sustainable water management and our dedication to minimizing the impact of our activities on the environment and surrounding communities.

Through continuous monitoring, improvement, and adherence to regulatory standards, we strive to ensure that our water management practices are effective, responsible, and in line with our commitment to environmental stewardship.

Solid waste management

At GHCL, we continue to focus our efforts to scale up solid waste management practices across our business units and manufacturing sites. GHCL's approach towards waste management extends beyond waste reduction and incorporates recycling and reuse as an alternative source of raw materials in its operations. Moreover, we try to integrate material efficiency into our processes and maximize the use of raw materials while generating minimal waste.

Also, the Company has always believed in exploring opportunities to reutilize waste and convert them into value-added products wherever possible. The Company is consistently working towards efficient and timely disposal of hazardous and non-hazardous wastes and tries to mitigate any negative impact on the environment. Our waste segregation, treatment practices, and waste disposal techniques are all in compliance with stringent environmental regulatory standards and guidelines.

Hazardous waste material includes used oils and batteries while non-hazardous waste materials include wood scraps, plastic wastes, light and heavy metal scrap, and packaging wastes. The high quantity of non-hazardous waste is due to fly Ash, which is further sold to third parties and finds its application in industrial use. The other category of waste includes e-waste, biomedical waste, and a few other wastes which are frequently generated and disposed of through authorized recyclers.

Indicator	Unit	Soda Ash	Yarn	CPD	Total
Non-hazardous waste	MT	1,53,380	561	3,621	1,57,562
Hazardous waste	MT	9.60	-	0.19	9.79
Other Waste	MT	183	-	-	183
Total waste	MT	1,53,573	561	3,621	1,57,755

Biodiversity conservation and restoration

We have worked extensively to embrace biodiversity management into our business functionality. As part of our commitment to conserve natural resources, reduce GHG and other hazardous emissions into the environment, and conserve our biodiversity, we have undertaken various effective measures. We have always prioritised biodiversity restoration and long-term value creation for our stakeholders, especially the communities that live in the vicinity of our plants. We reclaim the land at our mining sites to make the land suitable for other uses.

Our efforts and commitment have significantly reduced carbon emissions, conserved water, minimized and recycled waste, and enhanced local biodiversity.

Khadsaliya lignite mine: Mass tree plantation drive

The Khadsaliya Lignite Mine in India recently undertook a mass tree plantation drive as part of its Mine Closure Activity and to enhance the biodiversity in the mining area. Saplings of Conocarpus, Mango, and Pomegranate were planted across the mining locations. This drive was not only a compliance requirement but also aimed at creating awareness about the importance of widespread and sustained greening initiatives. By planting these trees, the mine is contributing to the local ecosystem and promoting sustainable development

World Environment Day celebration at Lignite division

On June 5, 2022, World Environment Day was celebrated at the Khadsaliya Lignite Mine with the theme of "Only One Earth." Under the leadership of Mr. Dhananjay Kumar, Senior GM, executives, and contractual employees participated in the event, along with guests including Mr. Bhupat bhai Dabhi, Taluka Panchayat Membe,r and Mr. Mansukhbhai Sumra, Sarpanch-Hathab.

Sustainability biodiversity – Our commitment to environmental sustainability

At our organization, we place a high emphasis on environmental sustainability and are committed to minimizing our impact on the natural world. Our greenfield project places a strong emphasis on considering environmental risks and impacts, especially those related to biodiversity, during the planning, permitting, and impact assessment phases. As part of this effort, a baseline study was conducted during 2018-19 that involved field surveys of the project area and observations of land use and species present. This study forms a key component of our Environmental and Social Impact Assessment (ESIA).

To further protect biodiversity, a Conservation Plan was developed for Schedule 1 species in the project area by the renowned Gujarat Institute of Desert Ecology, Kutch. In addition, we have also prepared a site-specific conservation plan for Sea Turtles, following a detailed study.

Even in the closure stage of our captive mines, we continue to prioritize environmental sustainability and work towards restoring the land to its natural state. Captive limestone and lignite mines limestone mines have been successfully reclaimed and transformed into biodiversity parks, for which we have received recognition and awards for our efforts toward sustainable development.

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Building a better working world

Independent Assurance Statement

The Management Committee
GHCL Limited
GHCL House, B-38
Institutional Area, Sector-1
Noida, 201301, India

Scope

We have been engaged by GHCL Limited to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, hereafter referred to as the engagement, to report on GHCL Integrated Annual Report, which contains the data/information from the facilities units as per International Integrated Reporting Council (IIRC) Framework (the "Subject Matter") for the period from 1st April 2022 to 31st March 2023.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by GHCL

In preparing the Integrated Annual Report, GHCL applied the <IR> framework suggested by International Integrated Reporting Council (IIRC), were specifically designed for Integrated Annual Report; As a result, the subject matter information may not be suitable for another purpose.

GHCL's responsibilities

GHCL management is responsible for selecting the Criteria, and for presenting the Integrated Annual Report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates relevant to the preparation of the subject matter. It is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000'), and the terms of reference for this engagement as agreed with GHCL on 1st December 2022. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Integrated Annual Report and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Conducted interviews with select personnel at manufacturing units and corporate teams to understand the process for collecting, collating and reporting the subject matter as per International Integrated Reporting Council (IIRC) Framework;
- Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria;
- Undertook analytical review procedures to support the reasonableness of the data
- Identified and testing assumptions supporting calculations;
- Tested, on a sample basis, underlying source information to check the accuracy of the data which includes:
    - Remote data verification, on a selective test basis, carried out for soda ash (Sutrapada), Yarn (Madurai & Manaparai) and corporate office (Noida)

- Review of the Company's approach towards materiality assessment disclosed in the Report to identify relevant issues.
- Review of select qualitative statements in various sections of the Integrated Annual Report

We also performed such other procedures as we considered necessary in the circumstances.

Emphasis of matter

The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2022 to 31st March 2023)
- Data and information on economic and financial performance of the Company
- Data, statements and claims already available in the public domain through Annual Reports, Corporate Social Responsibility Reports, previous Integrated Annual Reports, or other sources available in the public domain;
- The Company's statements that describe the expression of opinion, belief, inference, aspiration, expectation, aim or future intention provided by the Company
- The Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Integrated Annual Report for the period from 1st April 2022 to 31st March 2023, in order for it to be in accordance with the Criteria.

Saunak Saha

Saunak Saha
For and on behalf of Ernst & Young Associates LLP.
29th April 2023
Gurugram, India

Notice of 40th Annual General Meeting

(Pursuant to Section 101 of the Companies Act, 2013)

GHCL Limited
(**CIN:** L24100GJ1983PLC006513)
Registered Office: GHCL House, Opp. Punjabi Hall,
Navrangpura, Ahmedabad – 380009 (Gujarat)
Email: ghclinfo@ghcl.co.in, secretarial@ghcl.co.in
Website: www.ghcl.co.in
Phone: 079- 26434100, Fax: 079-26423623

Dear Member,

NOTICE is hereby given that 40th Annual General Meeting of the members of GHCL Limited (CIN: L24100GJ1983PLC006513) will be held on **Saturday, July 1, 2023 (शनिवार, आषाढ़ शुक्ल पक्ष – त्रयोदशी, विक्रम संवत २०८०) at 10.00 a.m.** through Video Conferencing (VC) or Other Audio Visual Means (OAVM), as per the framework issued by the Ministry of Corporate Affairs (MCA) vide General Circular No. 14 of 2020 dated April 08, 2020, Circular No. 17 of 2020 dated April 13, 2020, Circular No. 20 of 2020 dated May 05, 2020, and General Circular No. 10/2022 dated December 28, 2022 and SEBI Circular dated 12th May, 2020, and January 5, 2023 (collectively referred to as "Circulars") to transact the following businesses:

ORDINARY BUSINESS:

Item no. 1: Adoption of audited standalone financial statements of the Company for the financial year ended March 31, 2023, and the reports of the Board of Directors and auditors thereon.

To consider and pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the audited standalone financial statements of the Company for the financial year ended March 31, 2023 along with Board's Report, Independent Auditors' Report thereon, Integrated Report, Corporate Governance Report, Secretarial Auditor's Report and other annexure and attachment therewith, as circulated to the members with the notice of the 40th Annual General Meeting, be and are hereby received, considered, approved and adopted."

Item no. 2: Adoption of audited consolidated financial statements of the Company for the financial year ended March 31, 2023 and the report of the Auditor thereon

To consider and pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the audited consolidated financial statements of the Company for the financial year ended March 31, 2023 along with Independent Auditors' Report thereon, and other annexure and attachment therewith, as circulated to the members with the notice of the 40th Annual General Meeting, be and are hereby received, considered, approved and adopted."

Item no. 3: Declaration of dividend for the financial year ended on March 31, 2023, on equity shares of the company.

To consider and pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT dividend of Rs. 17.50 per equity share of Rs. 10/- each i.e. 175% on the paid-up equity share capital, of the Company, as recommended by the Board of Directors for the financial year ended March 31, 2023, be and is hereby declared and that such dividend be paid to those equity shareholders whose names appear in the Register of Members as on record date i.e. Saturday, June 24, 2023".

Item no. 4: Re-appointment of Mr. Sanjay Dalmia as a Director of the Company, liable to retire by rotation

To consider and pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Article 155 of the Articles of Association of the Company and Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, (including any statutory modification or re-enactment thereof for the time being in force), Mr. Sanjay Dalmia (DIN 00206992), who has attained 79 years of age and retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

Item no. 5: Re-appointment of Mr. Neelabh Dalmia as a Director of the Company, liable to retire by rotation

To consider and pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Mr. Neelabh Dalmia (DIN 00121760) who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director of the Company liable to retire by rotation."

SPECIAL BUSINESS:

Item No. 6: Re-Appointment of Mr. Raman Chopra as a Whole Time Director of the Company for a period of five years

To consider and pass the following resolution as an **Ordinary Resolution:**

"RESOLVED that pursuant to the provisions of Sections 196, and 203 of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and Schedule V of the Act and other applicable provisions , if any, and based on the recommendations of the Nomination and Remuneration Committee and the Audit & Compliance Committee and the Board of Directors, Mr. Raman Chopra (DIN: 00954190) be and is hereby re-appointed as a Whole Time Director designated as CFO & Executive Director (Finance) of the Company, for a period of 5 years with effect from April 1, 2023, liable to retire by rotation.

"RESOLVED FURTHER that based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as it may deem necessary including but not limiting to re-designation and promotion of Mr. Raman Chopra within the overall approval given by the members of the Company."

Item No. 7: Approval of Remuneration of Mr. Raman Chopra

To consider and pass the following resolution as an **Ordinary Resolution:**

"RESOLVED that pursuant to the provisions of Sections 197 and 198 of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and Schedule V of the Act and other applicable provisions, if any, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, consent be and is hereby accorded with respect to the payment of remuneration to Mr. Raman Chopra, CFO & Executive Director (Finance) of the Company for his services rendered to the Company during the tenure of his re-appointment of 5 (five) years, (i.e. with effect from April 1, 2023 to March 31, 2028), as per the following terms and conditions:

(a) Basic Salary:

The basic salary band of Mr. Raman Chopra would be Rs. 5,00,000 to Rs. 10,00,000 per month during his entire tenure of five years. The annual increment in basic salary of Mr. Raman Chopra will be approved by the Board of Directors on the recommendation of Nomination and Remuneration Committee, subject to the condition that the basic salary shall not exceed the above band during his tenure of five years. Further, the increase in basic salary in any financial year shall not exceed 15% of the basic salary as compared to immediate preceding financial year.

For the financial year 2023-24, the basic salary of Mr. Raman Chopra as approved by the Board on recommendation of the Nomination and Remuneration committee is Rs. 5,90,800 per month.

(b) Perquisites / Allowances:

Mr. Raman Chopra shall also be entitled to the perquisites/ allowances comprising of housing allowance, leave travel allowance, club fee, personal accident insurance, conveyance, car, driver and other allowances/perquisites as per the policy of the Company. Presently, the total value of perquisites/allowances except retiral benefits are Rs. 8,72,114 per month.

(c) Retiral Benefits:

In addition to the above perquisites, Mr. Raman Chopra shall also be eligible for the retiral benefits (Provident Fund, Superannuation, Gratuity and Encashment of Leave etc.), which are not included in the computation of the value of the perquisite. At present, the total value of retiral benefits is Rs. 1,07,784 per month.

(d) Total Fixed Remuneration and its upper limit:

Based on the aforesaid three components i.e. basic salary, perquisites / allowances and retiral benefits, the current fixed remuneration of Mr. Raman Chopra is Rs. 1,88,48,376 per annum.

The annual increment in any financial year in the fixed remuneration of Mr. Raman Chopra, shall not exceed 15% of the total fixed remuneration of the immediate preceding financial year.

(e) Variable Pay / Commission and its linkage with the profitability of the company:

(i) **Quantum of variable pay/ commission:** In addition to the fixed remuneration, Mr. Raman Chopra is also entitled to performance linked Commission / Variable pay, which will be payable following the end of the financial year, subject to the Company's performance and achievement of certain milestones/targets by Mr. Raman Chopra as per the declared **"Policy on variable pay / commission payable to Executive Directors including Managing Director"** as published in the annual report of the Company.

The quantum of annual commission / variable pay shall be determined by the Board based on the recommendations of the Nomination & Remuneration Committee from time to time, subject to the condition that quantum of annual commission payable to Mr. Raman Chopra shall not be more than 1.50% (one and half percent) of the net profit of the company for such financial year for which the commission is payable.

The current ceiling of the variable pay/ commission payable to the Managing Director and the Whole time Directors collectively shall not exceed 4% of the net profit of the company for such financial year for which the commission is payable.

(ii) **Performance matrix for determining the variable pay/ commission of Mr. Raman Chopra**

The variable commission shall be determined by the Board of Directors on the recommendations of the Nomination and Remuneration Committee from time to time within the overall approval given by the shareholders on the basis of following criteria.

- Achieving revenue growth and profitability targets on annual basis;
- Effective implementation of growth projects and treasury management;
- Digitization and IoT projects execution;
- Achieving sustainability and ESG targets;
- Achieving corporate governance score card;
- Effective implementation of BRSR principles and its annual targets;
- Enterprise risk management – strategic, operations, finance and information risks;
- Employees engagement and building succession planning for key positions.

In addition to the above the remuneration of Mr. Raman Chopra shall also be determined on the performance and maintenance of key financial indicators such as

- Debt to equity ratio not to exceed 1:1
- Debt to EBITDA not to exceed 2 times
- Credit rating to maintain at AA- (double AA minus) and to improve AA (double AA)
- Profit growth on a long term basis at 15% CAGR
- ROCE to achieve at 17% plus

The variable commission shall finally be determined / quantified by the Board on recommendation of the Nomination and Remuneration Committee, based on the actual net profit earned by the company in any particular financial year which shall not exceed the overall ceiling of 1.50% of the net profit as mentioned above. Any increase in the variable commission as compared to previous year shall be made only in case there is an increase in the profitability of the company.

(f) Employees Stock Options:

GHCL Limited has an Employees Stock Option Scheme approved by the shareholders. The Nomination & Remuneration Committee of the Company decides the eligibility criteria for granting of Stock options and vesting conditions thereof. Mr. Raman Chopra will be entitled for the stock options as per policy of the company and as recommended by the Nomination & Remuneration Committee. The broad conditions of stock options would be as follows:

- Minimum vesting period is one year.
- Grant price shall be the market price of the share just before the date of meeting granting the stock options.
- Exercise period shall be 5 years from the date of vesting.
- **Vesting conditions:** The employee stock option shall be vested on achievement of certain milestone fixed for the business growth, profitability, strategic issues, capex utilization, cost reduction measures, risk reduction, corporate governance score, achieving the target set for ESG, emission reduction target

etc. as decided by the Nomination & Remuneration Committee at the time of granting the stock options. Further, vesting of employees stock options granted to Mr. Raman Chopra shall be determined on the achievement of financial indicators/ key ratio as mentioned in para related to performance matrix and ESG targets including the emission reduction targets for the scope 1 & scope 3.

- At any point of time Mr. Raman Chopra shall not be entitled for stock options exceeding 50,000 in single financial year.

During the financial year 2023-24 no employees stock options (ESOP) is proposed for Mr. Raman Chopra.

(g) The overall maximum cap on remuneration not exceeding Rs. 10 Cr in a particular financial year :

The overall remuneration payable to Mr. Raman Chopra comprising of fixed remuneration, variable pay/ commission and fair value of ESOPs shall not exceed Rs. 10 (Ten) crore per annum. This shall further be subject to the ceiling on remuneration fixed under Section 197 read with Section 198 of the Companies Act, 2013.

The overall remuneration of Mr. Raman Chopra is structured keeping in view the contribution made by him in term of achievement of revenue growth and profitability, cost optimization, risks reduction, ESG and emission reduction targets and project implementation. Mr. Raman Chopra is engaged in the green field project implementation and transforming the company to achieve its green energy initiatives, climate change strategies and ensuring sustainable and responsible growth.

Hence, variation in the remuneration of Mr. Raman Chopra from the median salary, if any during his tenure of the services, is in line with the industry peers and is as per the business needs of the company.

(h) Minimum Remuneration:

Where in any financial year during the currency of tenure of Mr. Raman Chopra, the Company has no profits or its profits are inadequate, the Company may pay remuneration to Mr. Raman Chopra, in accordance with the provisions of Schedule V and any other applicable provisions of the Companies Act, 2013, including any amendment thereto from time to time and shall take approval of the shareholders if required as per the applicable provision of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(i) Other Key Terms:

a. **Expenses:** The Company will reimburse Mr. Raman Chopra for business travel or other incidental expenses incurred by the Director in accordance with the Company's policy.

b. **Notice period:**

The notice period shall be six months and that shall be binding on the company and Mr. Raman Chopra.

The Company may, in its sole and exclusive discretion, satisfy its Notice Period obligation by either providing Mr. Raman Chopra with the equivalent of six months of his total remuneration that he would have earned during the notice period had he remained employed during such notice period, including continued vesting of Shares during the notice period, against Stock Options previously granted to him.

In case Mr. Raman Chopra resigns, his relieving date will be decided by the management and the date of relieving will not be later than 6 months from the date of resignation.

c. **Non-compete:**

Mr. Raman Chopra agrees that he will not work with the competitors for a period of 6 (six) months from the date of separation with the Company.

"RESOLVED FURTHER that based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as it may deem necessary including but not limiting to alter and vary the remuneration and other terms and conditions of Mr. Raman Chopra, within the overall approval given by the members of the Company."

Registered Office:
GHCL HOUSE
Opp. Punjabi Hall
Navrangpura, Ahmedabad - 380009

By Order of the Board
For **GHCL LIMITED**

Bhuwneshwar Mishra
Vice President - Sustainability &
Company Secretary
Membership No.: FCS 5330

Dated: April 29, 2023

NOTES:

1. The Board of Directors of the Company is convening this Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) in terms of the framework prescribed by the Ministry of Corporate Affairs (MCA) vide General Circular No. 14 of 2020 dated April 08, 2020, Circular No. 17 of 2020 dated April 13, 2020, Circular No. 20 of 2020 dated May 05, 2020, and General Circular No. 10/2022 dated December 28, 2022 and SEBI Circular dated 12th May, 2020, and January 5, 2023 (collectively referred to as "Circulars"). The facility of VC or OVAM and also casting votes by a member using remote e-voting as well as venue voting system on the date of the AGM will be provided by CDSL. The framework prescribed by MCA in said circulars would be available to the members for effective participation in following manner:

   a. The Company is convening 40th Annual General Meeting (AGM) through VC / OAVM and no physical presence of members, directors, auditors and other eligible persons shall be required for this annual general meeting.

   b. VC / OAVM facility provided by the Company, is having a capacity to allow at least 1000 members to participate the meeting on a first-come-first-served basis. However, the large Members (i.e. Members holding 2% or more shareholding), promoters, institutional investors, directors, KMPs, the Chairperson of the Audit & Compliance Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors etc. may be allowed to attend the meeting without restriction on account of first-come-first-served principle.

   c. Notice of 40th AGM and financial statements (including Board's report, Auditor's report or other documents required to be attached therewith) for FY 2022-23, are being sent only through email to all members as on May 19, 2023 (i.e. based on Benepose report after the Board Meeting in which notice is approved) on their registered email id with the company and no physical copy of the same would be dispatched. 40th Integrated Annual Report containing Notice, financial statements and other documents are available on the website of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com) where the Company's shares are listed and is also available on the website of the Company (www.ghcl.co.in).

   d. Company is providing two way teleconferencing facility or WebEx for the ease of participation of the members.

   e. Recorded transcript of the meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company.

   f. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

   g. Participants i.e. members, directors, auditors and other eligible persons to whom this notice is being circulated are allowed to submit their queries / questions etc. before the general meeting in advance on the e-mail address of the company at secretarial@ghcl.co.in. Further, queries / questions may also be posed concurrently during the general meeting at given email id.

   h. Members, directors, auditors and other eligible persons to whom this notice is being circulated may attend this annual general meeting through video conferencing at least 15 minutes before the schedule time and shall be closed after expiry of 15 minutes from the scheduled time.

   i. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

2. Process for those Members whose email Ids addresses are not registered with the company / depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:

   a) **For Physical Members -** please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company (secretarial@ghcl.co.in) / RTA (rnt.helpdesk@linkintime.co.in).

b) **For Demat Members –**, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company (secretarial@ghcl.co.in) / RTA (rnt.helpdesk@linkintime.co.in).

c) **For Individual Demat shareholders –** Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

3. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business in the notice is annexed hereto.

4. The dividend as recommended by the Board of Directors will be paid to the members on or before 30th day from the date of declaration:

   - **For equity shares held in physical form** - those Members whose names will appear in the Register of Members on the record date i.e. Saturday, June 24, 2023.
   - **For equity shares held in dematerialized form** - those beneficiaries, whose names are furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owner on the record date i.e. Saturday, June 24, 2023.

5. The relevant details of directors seeking re-appointment under Items No. 4 & 5, as required under Regulation 36(3) of the Listing Regulations read with applicable provisions of the Companies Act, 2013 and relevant Secretarial Standards are given herein below.

Full Name	Sanjay Dalmia	Neelabh Dalmia
Director Identification Number (DIN)	00206992	00121760
Age	79 years	39 years
Original Date of Appointment	20.10.1983	20.07.2005
Qualification	Graduation from Delhi University	Master of Business Administration (MBA) and a Bachelor's of Science in Business Administration majoring in Finance & Entrepreneurship from the Kelley School of Business at Indiana University, USA.
Experience and Expertise	He has a vast knowledge and experience in field of entrepreneurship, leadership and business strategy etc.	His experience includes setting up green-field projects from planning, investment to implementation and in mergers & acquisitions. He is today steering the group towards strategic investments in the business that will align with the company's long-term growth plans and create various opportunities for diversification and expansion. He has been a major contributor to initiate the company's move towards investing in captive green power in its portfolio and is looking further to enhance its green energy portfolio. He is currently leading the growth and diversified projects in the company and also focused on CSR initiatives.

Full Name	Sanjay Dalmia	Neelabh Dalmia
Remuneration last drawn (including sitting fees)	As mentioned in the Report on Corporate Governance	As mentioned in the Report on Corporate Governance
Remuneration to be paid	Sitting fees as per Nomination and Remuneration Policy of the Company	As mentioned in the Report on Corporate Governance.
Number of board meetings attended during FY 2022-23	4 [All board meeting attended]	4 [All board meeting attended]
Shareholding (Equity Shares)	NIL	1,09,650 (0.11%) equity shares
Relationship with other directors and KMP	**Brother –** Shri Anurag Dalmia - Non Executive, Vice Chairman **Brother's Son -** Shri Neelabh Dalmia- Executive Director (Growth & Diversification Projects)	**Father -** Shri Anurag Dalmia - Non Executive, Vice Chairman **Father's Brother -** Shri Sanjay Dalmia- Non Executive, Chairman
Member/Chairperson of committees of the Company	None	1. Stakeholders Relationship Committee – Member 2. Banking & Operation - Member 3. CSR Committee- Member 4. Risk & Sustainability Committee - Member
Directorships held in other companies	None	GHCL Textiles Limited
Membership of committees held in other Indian companies	None	Member in the Stakeholder's Relationship Committee of GHCL Textiles Limited
Chairpersonship of committees held in other Indian companies	None	None

Note: Due to demerger of yarn division of the company by the Hon'ble NCLT Ahmedabad bench, the board of directors have re-designated Mr. Neelabh Dalmia as Executive Director (Growth & Diversification Projects) from Executive Director (Textiles).

6. Board composition of GHCL Limited on March 31, 2023 and directors' attendance at Board meeting and in previous Annual General Meeting.

SL No.	Name	Date of Board Meeting & Attendance				AGM Attendance (June 30, 2022)
		April 30, 2022	July 28, 2022	October 31, 2022	January 31, 2023	
1	Mr. Sanjay Dalmia	Yes	Yes	Yes	Yes	Yes
2	Mr. Anurag Dalmia	Yes	Yes	Yes	Yes	Yes
3	Dr. Manoj Vaish	Yes	Yes	Yes	Yes	Yes
4	Mrs. Vijaylaxmi Joshi (Ex-IAS)	Yes	Yes	Yes	Yes	Yes
5	Justice (Retd.) Ravindra Singh	Yes	Yes	Yes	Yes	Yes
6	Mr. Arun Kumar Jain (Ex-IRS)	Yes	Yes	Yes	Yes	Yes
7	Dr. Lavanya Rastogi	Yes	Yes	Yes	Yes	Yes
8	Mr. R. S. Jalan	Yes	Yes	Yes	Yes	Yes
9	Mr. Raman Chopra	Yes	Yes	Yes	Yes	Yes
10	Mr. Neelabh Dalmia	Yes	Yes	Yes	Yes	Yes

7. Members are requested to notify immediately any change of address to their Depositories Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company in respect of their physical share folios, if any.

8. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for deletion or / change in such bank details. Further instruction, if any, already given by them in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend, directly to their Depositories Participants.

9. Members are requested to send their queries, if any, at least seven (7) days in advance of the meeting so that the information can be made available at the meeting.

10. **Voting through electronic means:**

    (a) In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 ("Listing Regulations") and any other applicable provisions, the Company is pleased to provide members the facility to exercise their right to vote at the 40th Annual General Meeting (AGM) by electronic means and the business may be transacted through Remote e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

    (b) A member may exercise his vote at any general meeting by electronic means and Company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulation read with the MCA circulars.

    (c) During the remote e-voting period, members of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date i.e. Saturday, June 24, 2023 may cast their vote electronically. The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. As per Explanation (ii) of Rule 20 of the Companies (Management and Administration) Rules, 2014, cut-off date means a date not earlier than 7 days before the date of general meeting.

    (d) The remote e-voting period commences at 9:00 a.m. (IST) on Monday, June 26, 2023 and ends at 5:00 p.m. (IST) on Friday, June 30, 2023. The e-voting module shall be disabled by CDSL for voting thereafter.

    (e) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

    (f) The facility for voting, through electronic voting system, shall also be made available during the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

    (g) Instructions for members for remote e-voting are as under:

    Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

    (i) Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

    In order to increase the efficiency of the voting process, all the Demat account holders, by way of a single login credential, through their Demat accounts/ websites of Depositories/ Depository Participants, able to cast their vote without having to register again with the e-voting service providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Pursuant to said SEBI Circular, login method for e-Voting and joining virtual meetings for Individual Members holding securities in Demat mode (NSDL/CDSL) is given below:

Type of Members	Login Method
Individual Members holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Members holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of Members	Login Method
Individual Members (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

(ii) Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Step 2: : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(h) Login method of e-Voting for Members (including HUF) other than individual Members & physical Members.

(i) Log on to the e-voting website www.evotingindia.com

(ii) Click on "Members" tab.

(iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat Members as well as physical Members) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) There is also an option to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification

Note for Non – Individual Members and Custodians for remote voting only

Step 1: Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

Step 2: A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

Step 3: After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

Step 4: The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

Step 5: A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Step 6: Alternatively, Non Individual Members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, at least 48 hours before the meeting to the Company at secretarial@ghcl.co.in, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

11. **The instructions for Members voting on the day of the AGM on e-voting system are as under: -**

i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

ii. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

iii. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

iv. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

v. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting

vi. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

vii. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (secretarial@ghcl.co.in). These queries will be replied to by the company suitably by email.

viii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

ix. Only those Members/ Members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.

x. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility , then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.

xi. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

12. **Instructions for members for attending the AGM through VC / OAVM are as under:**

(i) Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-voting system. Members may access the same at https://www.evotingindia.com under Members / members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

(ii) Members are encouraged to join the Meeting through Laptops/Personal Computers for better experience.

(iii) Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.

(iv) Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network.

It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

(v) Members who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request 7 days prior to Meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@ghcl.co.in and register themselves as speaker. Only those who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting.

(vi) Company is providing two way teleconferencing facility or WebEx for the ease of participation of the members. Recorded transcript of the meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company

13. **For Assistance / Queries for e-voting etc.**

Login type	Helpdesk details
(i) Individual Members holding securities in Demat mode with **CDSL**	If you have any queries or issues regarding attending e-voting from the e-voting system, you may refer the Frequently Asked Questions ("**FAQs**") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact at toll free no.1800225533 All grievances connected with the facility for voting by electronic means may be addressed to **Mr. Rakesh Dalvi, Sr. Manager, (CDSL)** Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or contact at toll free no.1800225533.
(i) Individual Members holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

14. Members holding shares in physical form are requested to intimate Registrar and Transfer Agents of the Company viz., M/s. Link Intime India Private Limited, Unit: GHCL Limited, Mr. Ganapati Haligouda, C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai-400083, changes, if any, in their Bank details, registered address, Email ID, etc. along with their Pin Code. Members holding shares in electronic form may update such details with their respective Depository Participant.

15. Mr. Manoj R. Hurkat, Practicing Company Secretary holding Membership No. F4287 and Certificate of Practice No. 2574 has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner. The Board has also authorised Chairman to appoint one or more scrutinizers in addition to and/or in place of Mr. Hurkat.

16. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than two working days from the conclusion of meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.

17. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ghcl.co.in and on the website of CDSL immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchanges.

18. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested, Certificate from the Auditors of the Company under SEBI (Share Based Employee Benefits) Regulations, 2014 and all documents referred to in the Notice and Explanatory Statement are available at the Registered Office of the Company.

19. **The additional information with respect to resolution number 3**

(a) Resolution No. 3 – Declaration of Dividend

Particulars	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
Earning per share (Rs.)	114.89	67.89	34.32	40.5	35.81
Dividend per share (Rs.)	17.50	15*	5.5	3	5
Dividend Pay out ratio	15.03%	22.09%	16.03%	7.41%	13.96%

**Dividend for FY 2021-22 was comprises of regular dividend of Rs. 10 per equity share and special dividend of Rs. 5 per equity share. The recommendation of dividend for the FY 2022-23 is in line with the Dividend Distribution Policy of the company.*

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 6: Re-appointment of Mr. Raman Chopra

In line with the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on January 31, 2023, has re-appointed Mr. Raman Chopra (DIN: 00954190) as a Whole Time Director designated as CFO & Executive Director (Finance) of the Company for a period of five years with effect from April 1, 2023.

The disclosure in accordance with the provisions of Regulation 36 (3) of the Listing Regulations read with Section 102 of the Companies Act, 2013, Secretarial Standard-2 and other applicable provisions, if any, in regard to the re-appointment of Whole Time Director is given below:

- Mr. Raman Chopra, aged about 57 years (DOB – November 25, 1965) is a graduate in Commerce and Fellow member of Institute of Chartered Accountants of India. Mr. Chopra is having wide experience in corporate finance, project implementation, merger & acquisition, restructuring, strategy and digitization. Presently, he is in charge of finance, accounts, taxation, legal, IT, commercial, green field project, sustainability, corporate governance, and risk management.

- Mr. Chopra has more than 34 years of Industrial experience. He was appointed as Chief Finance Officer of the Company on October 30, 2007 and thereafter promoted as an Executive Director (Finance) with effect from April 1, 2008.

- Mr. Raman Chopra had played a key role in successful expansion and debottlenecking of soda ash business in the last five years in addition to various cost optimization initiatives. This has resulted in significant improvement in both top-line and bottom-line of the company in the last five years. Due to these initiatives, the profitability of the company, during the current year i.e. 2022-23 has increased by more than 85% compared to last year itself (i.e. from Net profit of Rs 637 Cr. in FY 2021-22 to Rs. 1117 Cr. in FY 2022-23).

- Mr. Chopra has credentials of successfully establishing the Home Textile plant at Vapi and also played an important role in divesting the Home Textiles business.

- Mr Raman Chopra is also playing a vital role in building talent pool in the company as well as various other sustainable initiatives of the organisation.

- Mr. Raman Chopra is currently leading the company's growth initiatives in terms of setting up of its Greenfield Soda Ash project at Kutch Gujarat as well as various digitization and IoT initiatives. Additionally, he is a crucial member of the Risk & Sustainability committee of the organisation. He has successfully set up 30 MW solar energy in the last 12 months for the Yarn division of the company. Further, Mr. Raman Chopra has also contributed in various other financial matters which has resulted significant improvement in rating of the company. His contribution in cash flow management has resulted in net cash flow positive position for the organisation. In view of new expansion projects like Greenfield, product basket expansion, demerger as well as digitalization/ IoT initiatives led by him, his continuation would be very vital for the growth of the company. This is the reason that your Board recommends the above resolution set out in Item No. 6 for your approval.

- Mr. Raman Chopra is a Director on the Board of Rosebys Interiors India Limited (under liquidation w.e.f. July 15, 2014) and Dan River Properties LLC, USA, subsidiaries of the Company and also a non-executive director in GHCL Textiles Limited.

- He is a member of CSR Committee, Stakeholders Relationship Committee, Banking & Operations Committee and Risk & Sustainability Committee of the Company. He is neither a member of 10 Committees nor the Chairman of more than 5 Committees.
- Mr. Raman Chopra has attended all the meeting of the Board of Directors and committee meeting held during the financial year 2022-23.

Except Mr. Raman Chopra, none other directors and Key Managerial Personnel and their relatives are interested in the resolution.

The explanatory statement together with accompanying notice may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013 in respect of re-appointment of Mr. Raman Chopra as Whole Time Director of the Company.

Item no. 7: Approval of Remuneration of Mr. Raman Chopra

In addition to the disclosures made in the explanatory statement of Resolution no. 6 for re-appointment of Mr. Raman Chopra for a period of five years we would like to place following facts with respect to the remuneration of Mr. Raman Chopra.

- Quantum and reasonableness of the compensation is commensurate with the size, scale of the company and has been aligned with the performance of Mr. Raman Chopra.
- The overall remuneration of Mr. Raman Chopra is structured keeping in view the contribution made by him in term of achievement of revenue growth and profitability, debottlenecking of soda ash and cost optimization, initiatives taken on salt yield improvement, ESG emission reduction, product basket expansion initiatives, green filed project, solar energy installation, improvement in financial rating of the company, digitization and IoT related projects.
- The remuneration pattern of Mr. Raman Chopra during the last five years as compared with the performance of the company is given herein below:

Particulars	FY 2018-19	FY 2019-20	FY 2020-21*	FY 2021-22	FY 2022-23
1. Net Profit after Tax (PAT) - Rs. Cr	361	407	310	637	1117
2. Remuneration					
(a) Fixed Salary including Perquisite & Retirement benefits	1.50	1.59	1.25	1.69	1.79
(b) ESOP Perquisite Benefits	0.82	-	-	0.52	1.08
(c) Variable Pay / Commission	3.10	3.10	2.33	6.52	6.00
Total Remuneration - Rs. In Cr	5.43	4.69	3.58	8.76	8.87
3. Increase / (Decrease) in PAT (%)	-	12.74%	(23.83%)	105.48%	75.35%
4. Increase /(Decrease) in Remuneration	-	(13.49%)	(23.74%)	144.76%	1.26%
5. Remuneration as a % of net profit	1.50%	1.15%	1.15%	1.38%	0.79%

*FY 2020-21 was a covid year.

The financial year 2020-21 witnessed an unprecedented impact of COVID throughout the world including India which significantly impacted the performance of all the companies across the globe. Despite such an environment, GHCL Limited performed exceptionally well and was able to deliver a reasonable profitable year where Mr. Raman Chopra played a key role in efficiently managing the cash flow of the company as well as all the growth projects were pursued in the most efficient manner despite huge Covid restrictions. Additionally, Mr. Raman Chopra voluntarily took a remuneration cut of more than 20% in FY 2020-21 due to the exceptional situation arising out of COVID. Various cost optimization initiatives and de-bottleneck / expansion project of Soda Ash, Green Energy projects progressed very efficiently under his guidance/ participation and also significant steps were taken during that period for the improvement and subsequent successful divestment of Home-Textiles business under leadership of Mr. Raman Chopra.

Due to above initiatives of Mr. Raman Chopra, GHCL achieved significant benefits like:

- Soda Ash capacity / volumes increased from 11 lacs MT in 2021-22 to 12 lacs MT in FY 2022-23;

- Green energy footprint increased with the installation of 20 MW Solar Power Project in Musiri, 10 MW is under progress in Tuticorin District and along with 5.4 MW Rooftop solar power project in Manaparai plant.
- Home Textiles business got divested at a profitable consideration of Rs. 629.85 crores;
- Long term credit rating of the company affirmed by CARE to AA- in FY 2022-23
- Various digitization / cost optimization measures successfully implemented.

All the above measures resulted in improvement in Net Profit of the company from Rs. 310 cr. in FY 2020-21 to Rs. 637 cr. in FY'2021-22 i.e. an increase of 105% and this net profit further increased to Rs.1117 cr. in FY 2022-23. This represents an increase in net profit by 75% compared to FY 2021-22 and 260% as compared to 2020-21. As against this increase in the net profit of the Company, the remuneration of Mr. Chopra increased by 145% in FY 2021-22 compared to FY 2020-21 and only 1.26% increase in FY 2022-23. All the major increase is largely due to variable pay / commission. It may be noted that increase in remuneration of Mr. Raman Chopra in FY 2021-22 was slightly higher than increase in profitability, because of the fact that all the projects mentioned above were efficiently and successfully executed under leadership of Mr. Raman Chopra during FY 2020-21 and FY 2021-22 despite COVID restrictions which ultimately resulted in a huge jump in profitability not only in FY 2021-22 but also in FY 2022-23.

The overall increase in remuneration of Mr. Raman Chopra in last 2 years as compared to FY 2020-21 is 148% as against increase in net profit by 260% in FY 2022-23 as compared to FY 2020-21. For the financial year 2022-23, the increase in net profit of the company is 75% (Rs. 637 Cr. in FY 2021-22 to Rs.1117 Cr.) as compared to the increase in remuneration of Mr. Raman Chopra is 1% (from Rs. 8.76 cr.in FY2021-22 to Rs. 8.87 Cr. in FY 2022-23) which is reasonable and commensurate with the size, scale and performance of the company.

- The proposed fixed remuneration (including perquisites & retiral benefits) of Mr. Raman Chopra for FY 2023-24 is Rs. 1,88,48,376 per annum and commission / variable remuneration will be paid based the net profit of the company for the financial year 2023-24 and other various factors. Hence, the proposed remuneration is fairly reasonable and is duly aligned with the performance of Mr. Raman Chopra.

Benchmarking of compensation with the industry/ market peers and median employee pay:

- The Nomination & Remuneration committee while recommending the remuneration and its structure of Mr. Raman Chopra has examined the local industry peers such as Aarti Industries Limited, Deepak Nitrite Limited, Pidilite Industries Limited and their compensation structures, nature of business complexities and risks involved ased on publically available information. Accordingly, the committee has benchmarked the compensation of Mr. Chopra and recommended the same to the Board and shareholders for their approval. The overall remuneration (including commission) of Mr. Raman Chopra is Rs. 8.87 Cr. i.e. 0.79% of the net profit of the company achieved during FY 2022-23 which is comparable to the industry peers.
- The overall remuneration of Mr. Raman Chopra is structured keeping in view the contribution made by him in term of achievement of revenue growth and profitability, cost optimization, risks reduction, ESG and emission reduction targets and project implementation. Mr. Raman Chopra is engaged in the green field project implementation and transforming the company to achieve its green energy initiatives, climate change strategies and ensuring sustainable and responsible growth. Hence, variation in the remuneration of Mr. Raman Chopra from the median salary, if any during his tenure of the services, is in line with the industry peers and is as per the business needs of the company.

Degree of variability in the compensation and its linkage with the profitability of the company

- The total compensation structure of Mr. Raman Chopra comprising of fixed remuneration, variable commission/ pay and fair value of ESOP is capped at Rs. 10 Cr per annum of which the maximum component (> 60%) is of variable in nature in the form of director's commission and the same is directly linked to profitability of the company. Any increase in the variable commission as compared to previous year shall be made only in case there is an increase in the profitability of the company.
- Each and every component of the fixed remuneration of Mr. Chopra comprising of basic salary, perquisites, allowances and retiral benefits are also capped as mentioned in the notice and explanatory statement at appropriate places including the maximum increase in the remuneration that can be made every year during his tenure of employment of five years. The details of salary components are disclosed in the resolution no.7 and also summarised here in below.

The proposed structure of overall remuneration of Mr. Raman Chopra for the financial year 2023-24 and compared to FY 2022-23 is as under:

Particulars	FY 2022-23	FY 2023-24
Basic Salary (Rs.)	67,12,800	70,89,600
Perquisites / allowances (Rs.)	99,49,918	1,04,65,368
Retiral benefits (Rs.)	12,23,820	12,93,408
Profit based Commission (Rs.)	6,00,00,000	Not available. Will be decided by the NRC / Board based on Profit of the Company as on March 31, 2023
ESOP (Rs.)*	1,08,87,000	--
Total Remuneration (Rs.)	8,87,73,538	1,88,48,376 (excluding profit based Commission)
Net Profit (Rs. Cr)	1,117	Not available
Remuneration as % of Net Profit	0.79%	Not available
Maximum cap on total remuneration during the five years of employment	-	Rs. 10 Cr

- The details of conditions of ESOP are given in the resolution. For the financial year 2023-24, 2024-25 and 2025-26, no ESOPs will be granted to Mr. Raman Chopra.

Policy on payment of remuneration in case of inadequacy of profits and restriction on discretionary power of Board / Nomination & Remuneration Committee:

- In case, during the period of his tenure, the profitability of the company is reduced or inadequate, Nomination & Remuneration committee of the company is empowered to reduce his compensation to certain extent which are reasonable and in line with the size and scale of the company and in compliance of applicable provisions of the Companies Act, 2013 and rules thereof.

- The compensation structure of Mr. Raman Chopra does not contain any clause related to Malus/ claw back/ deferred pay provisions as the company does not follow such policy for any of its employees.

- Since each and every component of the remuneration structure of Mr. Raman Chopra is capped, the Nomination and Remuneration committee as well as the Board have no unreasonable level of discretion/ flexibility in deciding the final pay for any financial year.

Mr. Raman Chopra holds 1,75,000 equity shares of the Company in his individual name and his wife holds 18,000 equity shares and his son holds 7,000 equity shares of the Company. Apart from the above, Mr. Chopra is also having one lakh stock options, which were granted as per the policy of the Company.

Mr. Raman Chopra fulfills the eligibility criteria set out under Part I of Schedule V to the Companies Act, 2013. The remuneration payable to Mr. Raman Chopra is in line with the provisions of Schedule V to the Companies Act, 2013, as may be amended from time to time.

Except Mr. Raman Chopra, none other directors and Key Managerial Personnel and their relatives are interested in the resolution.

The explanatory statement together with accompanying notice may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013 in respect of re-appointment of Mr. Raman Chopra as Whole Time Director of the Company.

Registered Office:
GHCL HOUSE
Opp. Punjabi Hall
Navrangpura, Ahmedabad - 380009

By Order of the Board
For **GHCL LIMITED**

Bhuwneshwar Mishra
Vice President - Sustainability &
Company Secretary
Membership No.: FCS 5330

Dated: April 29, 2023

Board's Report

To the Members of
GHCL Limited,

We are delighted to present the 5th Integrated Report, prepared in accordance with the framework established by the International Integrated Reporting Council, along with the 40th Annual Accounts showcasing the business and operations of our company. Additionally, we provide a summary of the standalone and consolidated financial statements for the fiscal year ending on March 31, 2023.

Our directors have taken great pleasure in compiling this comprehensive report, which aims to provide a holistic view of our company's performance, strategy, and impact. We have followed the guidelines set forth by the International Integrated Reporting Council, ensuring transparency, accountability, and relevance in our reporting.

In this report, we highlight the key achievements, challenges, and progress made by our company during the past year. We delve into the core aspects of our business, including our financial performance, operational activities, governance practices, risk management, and our contributions to the environment, society, and stakeholders.

Furthermore, we present the standalone and consolidated financial statements for the fiscal year, offering a clear and concise overview of our financial position, results of operations, cash flows, and changes in equity. These statements have been prepared in accordance with applicable accounting standards and provide an accurate reflection of our financial performance.

The financial highlights of the Company for FY 2022-23 are given below:

A: FINANCIAL RESULTS AND STATE OF AFFAIRS

(₹ in Crores)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Net Sales /Income from Continue operations	4584.05	3060.78	4584.53	3062.10
Gross profit before interest and depreciation from Continue operations	1520.06	737.40	1520.15	736.26
Finance Cost from Continue operations	38.67	51.34	38.67	51.34
Profit before depreciation and amortisation - (Cash Profit) from Continue operations	1481.39	686.06	1481.48	684.92
Depreciation and Amortisation from Continue operations	94.22	86.93	94.22	86.92
PBT before exceptional items from Continue operations	1387.17	599.13	1387.27	598.00
Profit before Tax (PBT) from Continue operations	1442.55	574.16	1463.00	598.00
Provision for Tax – Current from Continue operations	356.61	148.92	353.65	148.91
Tax adjustment for earlier years from Continue operations	(0.62)	(0.03)	(0.62)	(0.02)
Provision for Tax – Deferred from Continue operations	(5.83)	3.16	(5.83)	3.16
Profit after Tax from Continue operations	1092.39	422.11	1115.80	445.95
Profit from discontinued operations	31.92	294.25	33.37	283.17
Tax Expense of discontinued operations	(7.60)	(79.09)	(7.60)	(79.07)
Profit from discontinued operations after tax	24.32	215.16	25.77	204.10
Profit for the year	1116.71	637.27	1141.57	650.05
Other comprehensive income (OCI)	(3.61)	1.65	(4.17)	1.79
Total Comprehensive income for the period	1113.10	638.92	1137.40	651.84

(₹ in Crores)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Balance brought forward from last year	2797.45	2212.12	12793.13	2195.02
Appropriations				
FVTOCI Reserve	(2.92)	0.33	(2.92)	0.33
Final Dividend	(142.68)	(52.27)	(142.68)	(52.27)
Balance carried to Balance Sheet	3768.56	2797.45	3791.36	2793.13

The Management and Analysis Report (MDA) and the Integrated Annual Report provide detailed discussions on the financial results, operations, and major developments. The standalone and consolidated financial statements have been prepared in accordance with the Indian Accounting Standard (Ind AS). Adhering to Ind AS ensures compliance, transparency, and reliability in financial reporting, accurately presenting the company's financial position, performance, and cash flows.

Stakeholders are encouraged to review the MDA and Integrated Annual Report for a comprehensive understanding of our performance and value creation efforts.

1. Dividend Distribution Policy

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, our company's Board of Directors formulated and adopted the Dividend Distribution Policy (DDP) in a meeting held on May 19, 2016. The DDP has been established to ensure transparency and clarity in determining the quantum of dividends. It outlines the Board's commitment to maintaining a dividend pay-out ratio, which includes the dividend tax, in the range of 15% to 20% of profits after tax (PAT) on a standalone basis.

The Dividend Distribution Policy has been made available on our company's website at https://www.ghcl.co.in/wp-content/uploads/2019/03/Dividend-Distribution-Policy.pdf

It serves as a guiding framework for the Board of Directors when making decisions regarding the recommendation of dividends. The policy ensures a consistent approach to dividend pay outs and reinforces our commitment to delivering value to our shareholders.

In compliance with the provisions of Section 194 of the Income Tax Act, 1961, our company is obligated to deduct Tax Deducted at Source (TDS) at a rate of 10% on dividend payments. However, it is important to note that if the aggregate amount of dividends payable to an individual resident shareholder is up to Rs. 5000, no TDS is deducted. Furthermore, no TDS is applicable for dividend payments made to entities such as Life Insurance Corporation, General Insurance Corporation of India, specified insurers, and Mutual Funds, as mentioned under Section 10(23D) of the Income Tax Act.

For non-resident shareholders, as per Section 195 of the Income Tax Act, 1961, TDS is required to be deducted at a rate of 20% along with the applicable surcharge on dividend payments.

Our company remains committed to adhering to the applicable regulatory requirements, promoting transparency, and maximizing shareholder value through responsible dividend distribution practices.

2. Dividend

We are pleased to announce that our company has maintained a consistent track record of dividend payments for the past 29 years.

In accordance with our Dividend Distribution Policy, the Board of Directors has recommended a dividend of Rs. 17.50 per equity share of Rs. 10 each, representing 175% on the paid-up equity share capital, for the financial year ending on March 31, 2023. It is noteworthy that the previous year's total dividend amounted to Rs. 15 per equity share, consisting of a regular dividend of Rs. 10 per share and a special dividend of Rs. 5 per share.

The proposed dividend on equity shares is subject to the approval of the shareholders at the upcoming Annual General Meeting (AGM) scheduled for Saturday, July 1, 2023.

Board's Report

Upon approval by the shareholders, the dividend will be paid after the AGM, commencing from July 1, 2023 (Saturday). The Record Date for determining the shareholders eligible for the dividend will be June 24, 2023 (Saturday). The total dividend payout for the fiscal year 2022-23 on 9,55,85,786 equity shares , calculated at a rate of Rs. 17.50 per share, amounts to Rs. 1,67,27,51,255. This dividend distribution is in line with dividend distribution policy of the Company.

3. Transfer to Reserves:

The Board of Directors has decided that no amount of profit for FY 2022-23 shall be transferred to the reserve account.

The decision to retain the profits after payment of dividend, reflects the Board's strategic considerations with an objective to strengthen its financial stability, reinvest in growth opportunities, and enhance its overall financial resilience.

4. Share Capital

As of March 31, 2023, the paid-up Equity Share Capital of the company is Rs. 95,58,57,860, consisting of 9,55,85,786 equity shares of Rs. 10 each. In comparison, as of March 31, 2022, the paid-up Equity Share Capital was Rs. 95,35,07,860, comprising of 9,53,50,786 equity shares of Rs. 10 each.

During the financial year, the Nomination and Remuneration Committee allotted 2,35,000 Equity Shares of Rs. 10 each to employees of the company through the exercise of Employees Stock Options under GHCL ESOS 2015. As a result, the Issued, Subscribed & Paid-up Capital increased from Rs. 95,35,07,860, comprising of 9,53,50,786 equity shares of Rs. 10 each, to Rs. 95,58,57,860, comprising of 9,55,85,786 equity shares of Rs. 10 each.

5. Employees Stock Options Scheme

Our company has implemented an Employees Stock Options Scheme (ESOP) for permanent employees, which was approved by shareholders during the Annual General Meeting held on July 23, 2015. The company obtained in-principle approvals from the Stock Exchanges to issue 50 lakh equity shares through the ESOP scheme.

During the year, there have been no significant changes to the ESOP scheme, and it remains in compliance with ESOP regulations. The company has received a certificate from Dr. S Chandrasekaran, representing Chandrasekaran & Associates, Practicing Company Secretaries, New Delhi, who serves as the Secretarial Auditor of the company. The certificate certifies that the GHCL Employees Stock Option Scheme 2015 is implemented in accordance with SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021, and the resolutions passed by the members. This certificate is available for inspection by members in electronic mode.

The details of the Employee Stock Options plan are provided in the Notes to accounts of the financial statements in this Annual Report and is also annexed herewith as **Annexure I**, which is a part of this Report.

6. Finance:

6.1. Resource Mobilization

Short Term: During the year, our company successfully arranged/renewed working capital facilities totalling Rs. 1000 Crores. These facilities encompass both fund-based and non-fund based limits and involved the participation of esteemed financial institutions such as State Bank of India, Bank of Baroda, Union Bank of India, IDBI Bank Ltd, HDFC Bank Ltd, and Axis Bank Ltd.

Additionally, our company secured unsecured working capital facilities amounting to Rs. 140 Crores, which included both fund-based and non-fund based limits. These facilities were arranged/renewed through partnerships with HDFC Bank Ltd., Bank of Bahrain and Kuwait, ICICI Bank, and CTBC Bank.

Moreover, we successfully obtained a new unsecured working capital facility of Rs. 125 Crores, encompassing both fund-based and non-fund based limits. This facility was secured through collaborations with HSBC Bank (Rs. 75 Crores) and Yes Bank (Rs. 50 Crores).

These arrangements and renewals reflect the confidence placed in our company's financial position and growth prospects by renowned banking institutions. The working capital facilities will provide the necessary financial support to facilitate our business operations and drive our strategic initiatives forward.

6.2 Interest Rate Management

Our Company has a strong record of timely loan and interest repayments and maintains a favourable credit rating of CARE AA- with Stable Outlook for Long Term facilities and CARE A1+ with Stable Outlook for Short Term facilities.

Despite a 2.50% increase in the RBI's Repo Rate during the year, our effective negotiation and strong relationships with banks resulted in a minimal 0.38% increase in the interest rate for Long Term Borrowings. This achievement reflects our commitment to maintaining positive partnerships with our banking institutions and proactively managing interest rate fluctuations.

By prioritizing open communication and demonstrating our creditworthiness, we have successfully minimized the impact of external rate changes and secured advantageous interest rates. We remain dedicated to prudent financial management and will continue to work closely with our banking partners to optimize borrowing costs and sustain our robust credit profile.:

Borrowing	Outstanding as on 31.03.2023 (in ₹ Crore)	ROI P.A.
Long Term Borrowing	346.04	7.95%
Short Term Borrowing	1.48#	-
Total Borrowing	347.52	7.95%

 # Rs. 1.48 Cr. is interest accrued but not due on Long Term Borrowing, to be paid in next quarter (considered as Short Term Borrowing). Actual Short Term Borrowing is NIL.

6.3 Affirmation of external credit ratings

(i) Thanks to our efficient cash flow management and diligent repayment of interest and principal to lenders, CARE (Credit Analysis & Research Ltd) has reaffirmed our external rating of CARE AA- with a Stable Outlook for Long Term facilities.

Furthermore, we have received the highest rating of CARE A1+ with a Stable Outlook for Short Term facilities. This recognition reflects our strong commitment to financial discipline and our ability to meet our obligations in a timely manner. We take pride in our cash flow management practices, which have contributed to our favorable credit standing.

(ii) India Rating has also affirmed Long Term Issuer Rating of AA- with Stable Outlook.

(iii) Further, India Rating has affirmed Credit Rating for Issuance of Commercial Paper program as under:

Instrument Type	:	Commercial Paper
Size of Issue	:	Rs. 100 Crores
Rating Assigned by the Agency	:	IND A1+ (Highest)

iv) CRISIL Rating has also affirmed Credit Rating for issuance of NCD as under:

Instrument Type	:	Non-convertible Debenture (NCD)
Size of Issue	:	Rs. 150 Crores
Rating Assigned by the Agency	:	CRISIL AA- with Stable Outlook

6.4. Education and Protection fund

During the financial year, our company has transferred a sum of Rs. 45.58 lacs to the investors' education and protection fund account (IEPF). This transfer includes unclaimed dividends and unclaimed deposits, along with the accrued interest on these amounts.

We are committed to ensuring compliance with regulations and safeguarding the interests of our investors. The transfer to the IEPF account reflects our dedication to transparency and accountability in managing unclaimed funds.

We encourage our investors to proactively claim their dividends and deposits to avoid such transfers to the IEPF account. We will continue to uphold the highest standards of corporate governance and take all necessary steps to protect the rights and interests of our valued investors.

7. Change in Nature of Business

During the Financial Year 2022-23, there have been no significant changes in the nature of our company's business. We have maintained stability and consistency in our operations, ensuring continuity in delivering our products and services to our customers.

However, we would like to highlight one material change during the period between April 1, 2023, and the date of signing this report. This change pertains to the demerger of our spinning business as per the approved Scheme of Demerger by the Hon'ble NCLT Ahmedabad bench. This demerger has been a strategic decision to streamline our operations and focus on core business areas.

Board's Report

Apart from the demerger, there have been no other material changes or commitments that have had a significant impact on the financial position of the company during the aforementioned period.

8. Management Discussion & Analysis

In accordance with Regulation 34 (2) (e) of the Listing Regulations, 2015, we would like to draw your attention to the comprehensive review of our company's operations, performance, and future outlook provided in the Management's Discussion and Analysis Report (MDA). This report is included as part of our Annual Report and is incorporated herein by reference.

The MDA offers detailed insights into the various aspects of our business, including market trends, financial performance, key achievements, challenges, and strategic initiatives. It provides a holistic view of our company's performance and outlines our management's perspective on the future prospects and opportunities.

We encourage you to refer to the MDA for a comprehensive understanding of our company's operations and outlook. It serves as a valuable resource for shareholders, investors, and stakeholders seeking in-depth analysis and assessment of our business performance.

B: INTEGRATED REPORT

Your Company is deeply committed to sustainable development, aiming to create an inclusive, sustainable, and resilient future that harmonizes economic growth, social inclusion, and environmental protection. In line with this commitment, we have transitioned from compliance-based reporting to governance-based reporting, adopting the Integrated Report (IR) framework developed by the International Integrated Reporting Council.

Through our strategy, activities, and commitments, we strive to generate long-term value for all stakeholders. The Integrated Report, included as part of this Annual Report, presents a clear, concise, and comprehensive vision of our business model. It highlights how we integrate sustainability considerations into our decision-making processes, ensuring that our operations contribute positively to society and the environment.

We believe that by adopting the IR framework, we enhance transparency, accountability, and understanding of our organization's holistic value creation process. It enables us to communicate our strategy, governance practices, and sustainable performance to our stakeholders effectively.

The Integrated Report serves as a key tool in demonstrating our dedication to sustainable practices and aligning our business objectives with the broader goals of sustainable development.

C: PERFORMANCE HIGHLIGHTS AND STATE OF COMPANY'S AFFAIRS:

The detail of business performance and state of company's affairs are given in MDA and Integrated Report.

1. Completion of Slump sale of the Home Textiles Business of the Company

We are pleased to inform you that the slump sale of our Vapi business in the Home Textiles segment was successfully completed on April 2, 2022. The company has received a total consideration of Rs. 629.85 Crores from the divestment of the home textiles business, which includes certain assets that were realized by the company itself.

This divestment marks an important strategic move for our company, allowing us to optimize our portfolio and focus on core areas of our business. The realization of the total consideration reflects the value and attractiveness of our home textiles business.

We are confident that this divestment will enhance our ability to drive growth and create value for our stakeholders. We will continue to explore opportunities that align with our strategic objectives and contribute to the long-term success of our company.

2. Scheme of Arrangement for Demerger of the Spinning business

The Scheme of demerger for the Yarn business has reached its final stage, with the Hon'ble NCLT issuing the order on March 14, 2023. Following this, our company filed INC 28 with the Registrar of Companies on April 1, 2023. As per the Scheme, the demerger became effective on April 1, 2023.

To determine the entitlement of shares of GHCL Textiles Limited, the Board of Directors fixed the record date on April 8, 2023. Shareholders of GHCL Limited who held shares on the cut-off date will receive shares of GHCL Textiles Limited in a 1:1 ratio.

In a meeting held on April 12, 2023, the Board of Directors of GHCL Textiles Limited allotted 9,55,85,786 equity shares of Rs. 2 each to the shareholders of GHCL Limited, subject to obtaining necessary approvals.

In terms of Clause 6.1 to 6.4 of the demerger scheme, the authorized capital of GHCL Limited will be reduced from Rs. 175 Cr to 140 Cr, and accordingly clause 5 of the memorandum of association will be modified. Further, as per clause 7.1.4 of the Scheme the initial investment made by GHCL Limited in the share capital of GHCL Textiles Limited will be cancelled, subject to the completion of necessary statutory requirements.

3. Awards and Recognition:

We are delighted to announce that our Company has achieved significant recognition and accolades during the financial year 2022-23. These include receiving the Gold Award at the Indian Green Manufacturing Challenges, attaining a Five Star Rating for our Limestone Mines by the Indian Bureau of Mines, and being certified as one of the Best Workplaces in manufacturing for 2023 - ranking among the top 50.

These achievements highlight our commitment to excellence in various aspects of our operations, including sustainability, environmental stewardship, and fostering a positive work culture.

For detailed information about these awards and recognition, we invite you to refer the Integrated Report. We are grateful for these honors, which serve as a testament to the hard work and dedication of our employees and stakeholders in driving our Company's success.

4. Subsidiaries:

We would like to inform you that our wholly owned subsidiary, Grace Home Fashions LLC (GHF), which operated in the Home Textile segment in the USA, has been dissolved following the divestment of the Home Textile business. The dissolution of GHF was carried out in accordance with the approval of our Board of Directors and was finalized through a Certificate of Cancellation issued by the Secretary of State of Delaware, USA, on March 2, 2023. We have duly disclosed this information to the Stock Exchanges on March 3, 2023. Additionally, we would like to clarify that our Indian subsidiary, Rosebys Interiors India Limited (RIIL), has been under liquidation since July 15, 2014, as previously reported.

In compliance with Section 136 of the Companies Act, 2013, we are exempted from attaching the financial statements of our subsidiary companies along with the Annual Report. However, upon written request from our members, we will provide them with the annual financial statements and detailed information of the subsidiary company at our Registered Office. These financial statements will also be available for inspection at the Registered Office during business hours on any working day.

For further details regarding our subsidiaries, including any changes in subsidiary companies, joint ventures, or associate companies during the year, please refer to Note 36 of the Annual Report, as well as the statement under Section 129(3) of the Companies Act, 2013.

The statements are also available on the website of the Company www.ghcl.co.in

5. Consolidated Financial Statements:

We are pleased to provide you with the Consolidated Financial Statements for the financial year ended March 31, 2023. These statements have been prepared in accordance with the applicable Indian Accounting Standards (IND AS) and are being shared as per the requirements of Regulation 33 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with other applicable provisions.

These Consolidated Financial Statements offer a comprehensive overview of the financial performance and position of our company and its subsidiaries. They provide a consolidated view of our operations, assets, liabilities, revenue, expenses, and other relevant financial information, enabling stakeholders to assess the overall financial health and performance of the entire consolidated entity.

By presenting these Consolidated Financial Statements, we aim to fulfill our disclosure obligations and provide transparency to our investors, shareholders, and regulatory authorities.

6. Corporate Governance:

The Company places great importance on maintaining the highest standards of Corporate Governance. It recognizes that good governance practices not only promote transparency and accountability but also contribute to the overall credibility and trustworthiness of the organization.

In line with this commitment, the Company diligently adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI).

To enhance its governance framework, the Company has implemented several best practices. These practices encompass various aspects of governance, including board composition and structure, independent directors, board committees, risk management, internal controls, ethical conduct, and stakeholder engagement. By embracing these practices, the Company aims to ensure effective oversight, decision-making, and protection of the interests of all stakeholders.

As part of the Annual Report, the Company includes a comprehensive report on Corporate Governance, as mandated by Regulation 34 of the SEBI Listing Regulations. This report provides detailed information on the Company's governance structure, policies, and practices, giving stakeholders valuable insights into the Company's governance framework.

Furthermore, the Company obtains a certificate from its auditors, affirming compliance with the conditions of Corporate Governance. This certificate serves as an independent validation of the Company's adherence to the prescribed governance norms.

By upholding strong Corporate Governance standards and implementing best practices, the Company aims to foster trust, integrity, and long-term sustainability. It recognizes that effective governance is essential for creating value and maintaining strong relationships with shareholders, employees, customers, suppliers, and other stakeholders.

7. Board Meetings:

The Board of Directors of the Company maintains a structured approach to planning and conducting meetings. Typically, board meetings are scheduled well in advance in consultation with the Board Members to ensure their availability. However, there may be instances of emergency situations or when maintaining the price sensitivity of a transaction is crucial, where board meetings are convened on shorter notice. In such cases, all necessary requirements and compliances are diligently followed.

During the financial year ended March 31, 2023, the Board of Directors convened four meetings to discuss and evaluate the strategic, operational, and financial performance of the company. These meetings served as platforms for the Board to review key aspects of the company's activities and make informed decisions. Detailed information regarding the Board's meetings, including dates, agenda, and discussions, can be found in the Corporate Governance Report.

It is important to note that the intervals between the Board meetings complied with the timelines prescribed under the Companies Act, 2013, and the SEBI Listing Regulations, 2015. This adherence to regulatory requirements ensures effective governance and allows for regular monitoring and evaluation of the Company's performance and progress.

By maintaining a consistent and well-structured approach to Board meetings, the Company strives to foster transparency, accountability, and effective decision-making processes, ultimately contributing to the overall success and growth of the organization.

8. Directors:

The Directors are pleased to announce certain important appointments and confirmations within the Company. Mr. Sanjay Dalmia, Non-Executive Chairman of the Board, and Mr. Neelabh Dalmia, Executive Director (Growth & Diversification Projects), are directors retiring by rotation and offer themselves for re-appointment. The re-appointment of Mr. Raman Chopra as CFO & Executive Director (Finance) for a period of five years, effective from April 1, 2023, is recommended by the Nomination and Remuneration Committee and subject to shareholder approval at the Annual General Meeting.

All Independent Directors have provided declarations confirming their independence and stating their ability to discharge their duties objectively and without external influence. Compliance with Section 149(6) of the Companies Act, 2013, and Regulation 16(1) (b) & Regulation 25(8) of the SEBI Listing Regulations is duly ensured. Additionally, no director is debarred from holding the office of director as per any SEBI order, as per the circular on the "enforcement of SEBI Order regarding appointment of directors by listed companies" dated June 20, 2018.

The Board of Directors affirms that all Independent Directors possess the required integrity, expertise, and experience necessary for their appointment. Furthermore, the Independent Directors have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs (IICA) as per Section 150 of the Companies Act, 2013, and Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. Out of the five Independent Directors, two are exempt from the online proficiency self-assessment test conducted by IICA, while the remaining three have successfully passed the test within the stipulated time period.

9. Lead Independent Director:

The Board of Directors, in their meeting on July 29, 2021, appointed Dr. Manoj Vaish, Independent Director and Chairman of the Audit & Compliance Committee, as the Lead Independent Director of the Company, effective from the same date. The role and responsibilities of the Lead Independent Director are outlined in detail in the Corporate Governance Report, which is an integral part of the Annual Report.

10. Procedure for Nomination and Appointment of Directors

Detailed information regarding the nomination and appointment process of Directors, along with the list of core skills, expertise, and competencies of the Board of Directors, can be found in the Corporate Governance Report, which is included as part of the Annual Report. The Corporate Governance Report provides comprehensive insights into the governance practices of the company, ensuring transparency and accountability in the selection and composition of the Board of Directors.

11. Key Managerial Personnel:

In accordance with Section 203 of the Companies Act, 2013, read with Section 2(51), the Key Managerial Personnel of the Company are Mr. R S Jalan, who serves as the Managing Director, Mr. Raman Chopra, who holds the position of CFO & Executive Director (Finance), and Mr. Bhuwneshwar Mishra, who serves as Vice President – Sustainability & Company Secretary.

It is noteworthy that there have been no changes in the Key Managerial Personnel during the year. The continuity in the composition of the Key Managerial Personnel ensures stability and consistency in the management and operations of the company.

12. Familiarization program for Independent Directors:

To ensure a smooth integration of new Independent Directors (IDs) into the Board, our company has established a structured orientation program. During this program, the Executive Directors and Company Secretary deliver presentations that provide an overview of our company's operations. The aim is to familiarize the new IDs with our business operations, including our products, corporate structure, subsidiaries, Board constitution and procedures, matters reserved for the Board, and their role responsibilities. They are also educated on the code of conduct for IDs, our risk management strategy, and sustainability measures.

To deepen their understanding of our business, we organize visits to our plants and locations where our company carries out its CSR activities upon the request of the IDs. These visits are designed to provide firsthand exposure and enable the IDs to gain a better understanding of our operations.

Furthermore, to enhance their knowledge and skills, all Independent Directors are provided with access to an online learning platform called "Skillsoft." We strongly encourage them to complete courses on topics such as ESG, risk management, stakeholders' engagement, climate changes, diversity equity and inclusion (DEI), CSR, and cyber security.

Detailed information about these orientation and learning initiatives can be found in the Corporate Governance section of our Annual Report. In the financial year 2022-23, we organized a visit for the Independent Directors to our Yarn plant in Madurai. The visit included presentations on our business strategy and expansion plans, as well as a physical tour of all the units within the yarn division. In cases where certain Independent Directors were unable to physically attend due to other commitments, they were kept updated about the familiarization program.

These initiatives reflect our commitment to ensuring that our Independent Directors are well-informed and equipped to contribute effectively to the Board's decision-making processes.

Board's Report

13. Board Evaluation

In accordance with the Companies Act, 2013, SEBI Guidance Note on Board evaluation issued on January 5, 2017, and the relevant provisions of the SEBI Listing Regulations, 2015, the Board of Directors conducted an annual evaluation of its own performance, as well as that of its Committees and individual Directors. The evaluation process involved separate meetings of the independent directors and the Board as a whole.

The Board assessed the effectiveness of its functioning, the Committees' performance, and the individual Directors' contributions based on feedback gathered from Directors and committee members. The performance evaluation of the independent directors took place during a Board meeting held on January 31, 2023, excluding the director being evaluated.

A dedicated meeting of the Independent Directors was conducted on January 31, 2023, to review the performance of non-independent Directors, the overall performance of the Board and its Committees, and the Chairman of the Company. This evaluation took into account input from both the Executive and Non-Executive Directors.

To facilitate the evaluation process, an electronic application was utilized, ensuring secure and efficient data management while reducing paper usage. The criteria for performance evaluation were broadly based on the SEBI Guidance Note on Board Evaluation, encompassing aspects such as committee structure and composition, effectiveness of committee meetings, and more.

The performance evaluation of the Board and its constituents focused on various factors, including their functions, responsibilities, competencies, strategy, tone at the top, risk identification and control, diversity, and nature of the business. A comprehensive questionnaire was circulated to Board members, covering multiple aspects of the Board's functioning, culture, execution of duties, professional obligations, and governance. The questionnaire aimed to assess directors' knowledge, independence in decision-making, involvement in business planning, constructive engagement with colleagues, and understanding of the company's risk profile. Additionally, the Chairman of the Board and/or committee was evaluated based on leadership, coordination, and steering skills.

The Nomination and Remuneration Committee reviewed the performance of individual Directors, considering their contributions as members of the Board or its committees. The committee determined the quantum of profit-based commission payable to directors based on the overall performance of individual directors.

These evaluation processes ensure that the Board operates effectively, individual Directors contribute significantly, and appropriate remuneration is provided based on performance.

14. Nomination and Remuneration Policy

Based on the recommendation of the Nomination & Remuneration Committee, the Board has approved the Nomination and Remuneration Policy for Directors, Key Managerial Personnel (KMP), and all other employees of the Company. The Company's Nomination and Remuneration Policy and Practices have been established and maintained with the following objectives:

1. **Attract, Retain, and Motivate:** The policy aims to attract, retain, and motivate qualified and competent individuals at the Director, Key Managerial, and employee levels who are entrusted with carrying out the Company's business operations effectively.

2. **Market Competitiveness:** The policy ensures that salaries and perks are set at levels comparable to market standards, enabling the Company to remain competitive within the industry.

3. **Performance-Based Rewards:** The policy provides for periodic revisions of remuneration based on employees' performance, potential, and value addition to the organization. These revisions are made after a systematic assessment of individual performance and potential.

4. **Compliance and Statutory Requirements:** The policy ensures that salary and perks are disbursed in full compliance with applicable statutory provisions and prevailing tax laws of the country.

The "Nomination and Remuneration Policy" and the "Policy on variable pay / commission payable to Executive Directors, including the Managing Director," are attached as **Annexure II** and **Annexure III**, respectively, forming part of this report.

These policies and practices guide the Company in effectively managing the nomination and remuneration of its Directors, Key Managerial Personnel, and employees, aligning with the Company's objectives and industry standards.

These policies are also available on Company's website at https://ghcl.co.in/wp-content/uploads/2023/05/Nomination-and-Remuneration-Policy.pdf

15. Managerial Remuneration & Particulars of employees:

Disclosures regarding remuneration and other relevant details, as required by Section 197(12) of the Companies Act, 2013, and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, have been provided as an annexure to this report.

As per the provisions of Section 197(12) of the Companies Act, 2013, and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the names and other particulars of employees who receive remuneration exceeding the limits specified in the aforementioned rules is attached as **Annexure IV** to this report. This statement provides the necessary information about such employees.

By providing these disclosures and statements, the Company ensures compliance with the relevant legal provisions and transparency in reporting remuneration-related matters.

16. Secretarial Audit Report

Section 204 of the Companies Act, 2013 inter-alia requires every listed company to undertake Secretarial Audit and shall annex with its Board's Report a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed form.

GHCL has adopted a practice of ongoing Secretarial Audit throughout financial year and placed its periodic Secretarial Audit Report before Audit & Compliance Committee and Board. This has helped us in early detection of area of improvement and strengthening out level of compliance reporting.

In line with the requirement of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of the Listing Regulations and other applicable provisions, if any, the Board of Directors of the Company had appointed Dr. S Chandrasekaran, representing Chandrasekaran & Associates, Practicing Company Secretaries, New Delhi, to conduct Secretarial Audit of the Company for the financial year 2022-23.

The Secretarial Audit Report for the financial year ended March 31, 2023 are annexed with the Board's report and formed as part of the Annual Report. This report is unqualified and self-explanatory and does not call for any further comments.

17. Secretarial Standards

We are pleased to highlight that throughout the year, GHCL has diligently complied with all the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and notified by the Ministry of Corporate Affairs of India.

These Secretarial Standards serve as comprehensive guidelines for ensuring the highest level of compliance and corporate governance within the organization. By adhering to these standards, we reinforce our commitment to transparency, ethical practices, and effective board and shareholder communication.

Our rigorous adherence to the Secretarial Standards reflects our dedication to maintaining robust internal processes, ensuring accurate and timely disclosures, and fostering a culture of compliance. We believe that strict compliance with these standards strengthens our governance framework, enhances stakeholder trust, and promotes sustainable business practices.

18. Listing of the Equity Shares

We are pleased to inform you that GHCL's equity shares are listed on BSE Limited and National Stock Exchange of India Limited. We have paid the annual listing fees for the years 2022-23 and 2023-24 to both stock exchanges, ensuring our continued listing and trading.

Our commitment to regulatory compliance and good governance remains unwavering as we actively engage with the stock exchanges to maintain a strong relationship.

19. Web address for annual return and other policies / documents

In terms of Section 92(3) of the Companies Act, 2013 read with Rule 12 (1) of Companies (Management and Administration) Rules, 2014 and Section 134(3)(a) of the

Companies Act, 2013, the Annual Return is put up on the Company's website www.ghcl.co.in. and can be accessed at https://ghcl.co.in/wp-content/uploads/2023/05/GHCL-MGT-7-Annual-Return-2022-23.pdf .

In addition, other policies / document of the Company are placed on the Company's website www.ghcl.co.in as per the statutory requirement.

20. Corporate Social Responsibility (CSR)

GHCL is dedicated to promoting inclusive growth and has been actively involved in projects aimed at the overall development and welfare of society since its inception. Through the GHCL Foundation Trust, the company has expanded its CSR activities to encompass a wider range of beneficiaries, providing support to the marginalized and creating social infrastructure for their well-being.

We have established a CSR Policy that guides our CSR activities, and the details of the policy and related information can be found on our website www.ghcl.co.in. You can access the CSR Policy directly at this link: https://www.ghcl.co.in/wp-content/uploads/2021/05/GHCL-CSR-Policy.pdf.

During the financial year 2022-23, we allocated Rs. 12.31 crores towards CSR activities, surpassing the statutory minimum requirement of Rs. 12.01 crores (2.00% of the average net profits of the previous three financial years).

As per the provisions of Section 135 of the Companies Act, 2013, and the corresponding rules, a dedicated Corporate Social Responsibility (CSR) Committee was constituted to oversee our CSR initiatives. As of March 31, 2023, the CSR Committee is chaired by Mr. Anurag Dalmia, and its members include Mrs. Vijaylaxmi Joshi, Justice (Retd.) Ravindra Singh, Mr. R S Jalan, Mr. Raman Chopra, and Mr. Neelabh Dalmia. Mr. Bhuwneshwar Mishra, Vice President-Sustainability & Company Secretary, serves as the secretary of the CSR Committee. Throughout the financial year, the CSR Committee convened two meetings, with all members present in each meeting.

We focus our CSR initiatives on areas such as Agriculture & Animal Husbandry, Healthcare, Education & Vocational Training, Women Empowerment, and other miscellaneous projects based on specific societal needs. These projects align with Schedule VII of the Companies Act, 2013.

The detailed Annual Report on CSR activities, as mandated by Section 135 of the Companies Act, 2013, is provided as **Annexure V** in this report.

21. Business Responsibility and Sustainability Report (BRSR)

In recent years, the importance of addressing climate change, promoting inclusive growth, and transitioning to a sustainable economy has gained significant global attention. Investors and stakeholders now expect companies to be responsible and sustainable in their practices, placing equal importance on reporting their performance on sustainability-related factors alongside financial and operational performance.

As per the amendment to Regulation 34(2)(f) of the Listing Regulations, 2015 and the National Guidelines on Responsible Business Conduct (NGRBC) issued by the Ministry of Corporate Affairs, Government of India, the top one thousand listed companies are required to prepare and present a Business Responsibility and Sustainability Report (BRSR) to stakeholders. This replaces the previous Business Responsibility Report (BRR) and follows internationally accepted reporting frameworks such as GRI, SASB, TCFD, and Integrated Reporting.

Starting from the financial year 2022-2023, filing the BRSR has become mandatory for the top 1000 listed companies based on market capitalization, replacing the BRR. As of March 31, 2023, GHCL Limited is ranked 488th at NSE and 494th at BSE based on market capitalization.

The BRSR requires listed entities to disclose their performance against the nine principles of the NGBRC, with reporting divided into essential and leadership indicators. Essential indicators are mandatory to report, while reporting leadership indicators is voluntary. GHCL voluntarily adopted the BRSR in the previous financial year (2021-22) to report its economic, social, environmental, and governance performance. This marks the second consecutive year of reporting under the BRSR format for GHCL.

Your company has adopted the Integrated Reporting (IR) framework of the International Integrated Reporting Council to report on the six capitals it utilizes to create long-term stakeholder value.

The Integrated Report of your company has been assessed and provided with the necessary assurance by E&Y. It is available on the company's website www.ghcl.co.in and is included as an integral part of this report and the Annual Report as a whole.

22. Composition of Audit & Compliance Committee

The Audit & Compliance Committee of the Board has been constituted in accordance with Section 177 of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 18 of the Listing Regulations. The primary purpose of the audit and compliance committee is to ensure effective supervision and monitoring of the management's financial reporting process, maintaining the highest standards of transparency, integrity, and quality.

During the year, the committee convened four meetings, as detailed in the Corporate Governance Report. As of March 31, 2023, the committee is chaired by Dr. Manoj Vaish, with Mrs. Vijaylaxmi Joshi (Ex-IAS) and Mr. Arun Kumar Jain (Ex-IRS) serving as members. All members of the committee are independent directors with expertise in finance, accounts, strategy, tax, and general administration.

23. Composition of Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been established in accordance with Section 178(5) of the Companies Act, 2013, and Regulation 20 of the Listing Regulations. The committee's main responsibility is to address and resolve grievances raised by the company's security holders, which include concerns related to share transfers, non-receipt of annual reports, and non-receipt of dividends, among others.

As of March 31, 2023, the Stakeholders Relationship Committee consists of both executive and non-executive directors. The committee is chaired by Justice (Retd.) Ravindra Singh, with Mr. Arun Kumar Jain (Ex-IRS), Mr. R S Jalan, Mr. Raman Chopra, and Mr. Neelabh Dalmia serving as members of the committee. Further details about the committee can be found in the Corporate Governance Report.

The company has published its 'Investors' Grievance Redressal Policy' on the company's website, www.ghcl.co.in. The policy outlines the procedures and mechanisms in place for addressing and resolving investor grievances. The policy can be accessed at the following link: https://ghcl.co.in/wp-content/uploads/2022/12/GHCL-Composition-of-various-Committees-of-Board-of-Directors.pdf

24. Composition of Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board has been established in accordance with Section 178 of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 19 of the Listing Regulations. The committee is responsible for determining the qualifications, positive attributes, and independence of directors, as well as recommending a remuneration policy for directors, Key Managerial Personnel, and other employees.

As of March 31, 2023, the Nomination and Remuneration Committee is consists of three Non-Executive Independent directors. Mrs. Vijaylaxmi Joshi (Ex-IAS) serves as the Chairperson of the Committee, with Justice (Retd.) Ravindra Singh and Dr. Manoj Vaish as members. All members, including the Chairperson, are Independent Directors. Detailed information about the committee can be found in the Corporate Governance Report.

25. Vigil Mechanism / Whistle Blower Policy

GHCL Limited, as a conscientious and vigilant organization, upholds the principles of fairness, transparency, professionalism, honesty, integrity, and ethical behavior. In line with its commitment to providing a secure and fearless working environment for its employees, the company has implemented a comprehensive "Whistle Blower Policy." The Board of Directors approved this policy in a meeting held on May 28, 2014, and it has been periodically amended since then. The current Ombudsperson responsible for overseeing the policy is Mr. Arun Kumar Jain (IRS), an Independent Director of the Company.

The Whistle Blower Policy aims to encourage directors and employees to report any instances of unethical behavior, actual or suspected fraud, or violations of GHCL's code of conduct or Ethics Policy to the designated Ombudsperson.

Board's Report

Further details about the Whistle Blower Policy can be found in the Corporate Governance Report. The policy is also available on the company's website, www.ghcl.co.in, accessible at https://www.ghcl.co.in/wp-content/uploads/2020/08/Whistle-Blower-Policy-1-1.pdf.

To enhance the effectiveness of the reporting system and ensure seamless communication, GHCL Limited has launched an online platform dedicated to receiving grievances through a separate tab on the company's website. This initiative strengthens the vigil mechanism and facilitates efficient reporting of concerns. As per the requirements of Schedule V of the Listing Regulations, the company confirms that no personnel have been denied access to the Audit & Compliance Committee. Furthermore, there were no complaints reported during the year under the vigil mechanism.

26. Related Party Transactions

The Company, GHCL Limited, has not engaged in any material related party transactions with its Promoters, Directors, Key Managerial Personnel, or other designated persons that could potentially conflict with the interests of the Company as a whole. Therefore, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable to the Company. All related party transactions undergo thorough review and approval by the Audit & Compliance Committee.

For related party transactions that are of a repetitive nature and entered into on an arm's length basis in the ordinary course of business, the Company obtains prior omnibus approval from the Audit & Compliance Committee. A statement providing details of all related party transactions is presented to the Audit & Compliance Committee and the Board of Directors on a quarterly basis. This statement is supported by a Certificate from the Chief Financial Officer. Furthermore, all related party transactions are presented before both the Audit & Compliance Committee and the Board.

None of the Directors of the Company have any significant pecuniary relationships or transactions with the Company. The policy on Related Party Transactions, which has been approved by the Board, is available on the Company's website, www.ghcl.co.in, and can be accessed at https://ghcl.co.in/wp-content/uploads/2018/07/Related-Party-Transactions Policy_Dec15.pdf

27. Particulars of Loans, Guarantees or Investments

The details of loans, guarantees, and investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to the Financial Statements. These notes offer comprehensive information regarding the nature, terms, and conditions of such loans, guarantees, and investments. They also include disclosures on any related party transactions, if applicable, and any significant developments or changes in these arrangements.

The purpose of including these details in the notes to the Financial Statements is to ensure transparency and provide stakeholders with a clear understanding of the Company's financial activities and commitments. By presenting this information, GHCL Limited aims to adhere to regulatory requirements and promote accountability.

Stakeholders are encouraged to refer to the relevant section in the Financial Statements to obtain a comprehensive overview of the loans, guarantees, and investments made by the Company in accordance with the provisions of Section 186 of the Companies Act, 2013.

28. Risk & Sustainability Committee

The Risk & Sustainability Committee has been constituted in compliance with Regulation 21 of the Listing Regulations. The committee's scope has been expanded to include governance, risk management, sustainability, and compliance (GRC), and has been renamed as the "Risk & Sustainability Committee" to reflect its extended responsibilities.

The committee is composed of five Executive and Non-Executive directors, with Mr. Arun Kumar Jain (Ex-IRS) serving as the Chairman. The other members of the committee include Mr. Anurag Dalmia, Mr. R S Jalan, Mr. Raman Chopra, and Mr. Neelabh Dalmia. Detailed information about the committee and its activities can be found in the Corporate Governance Report, which is part of the Board's Report.

GHCL Limited believes that various factors such as technological advancements, geopolitical environment, and regulatory and environmental requirements have significant impacts on the business value chain. To ensure sustainability, it is essential to systematically manage risks and seize opportunities arising from these factors. The Board of Directors holds the ultimate responsibility for risk oversight, while the Risk & Sustainability Committee provides guidance for implementing the risk management policy throughout the organization.

The operational heads of each business unit are primarily accountable for implementing the company's risk management policy and fostering a risk-aware culture that enhances performance. Senior executives in different functional units serve as risk owners, monitoring key risks and proactively implementing appropriate mitigation plans. Their role is to prevent any significant deviations or adverse events and contribute to value creation for the business.

The Company's Risk Management Policy, approved by the Board, can be accessed on the Company's website link https://www.ghcl.co.in/wp-content/uploads/2019/06/Risk-Management-Policy-1.pdf

29. Conservation of Energy, Technology absorption, Foreign Exchange Earning and outgo

The information on conservation of energy, technology absorption, and foreign exchange earnings and outgo, as required under Section 134 (3) (m) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014, is provided in **Annexure - VI**, which is an integral part of this Report.

This annexure contains detailed data and disclosures related to the Company's efforts and performance in conserving energy, adopting new technologies, and its foreign exchange earnings and outflows.

By referring to **Annexure - VI**, stakeholders can gain a comprehensive understanding of the Company's activities and achievements in these areas.

30. Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

Your Company is deeply committed to creating and maintaining a safe and inclusive work environment where every individual is respected and protected from any form of harassment, exploitation, or intimidation. In line with this commitment and as mandated by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and its related Rules, your Company has established a comprehensive policy for the prevention of sexual harassment.

Under this policy, Internal Complaints Committees have been set up at all major locations of the Company. These committees are entrusted with the responsibility of addressing any complaints related to sexual harassment at the workplace. The committees operate with transparency, impartiality, and adherence to clear timelines, ensuring a fair and unbiased investigation process.

Your Company also conducts regular awareness programs to educate employees about their rights, the provisions of the POSH Act, and the available redressal mechanisms. These programs aim to build a culture of respect, sensitivity, and gender equality in the workplace.

We are pleased to inform you that no complaints related to sexual harassment were reported during the year under the POSH Act. This indicates the effectiveness of the policies, awareness programs, and the overall commitment of the Company in providing a safe and secure work environment for all its employees, agents, vendors, and partners.

31. Statutory Auditors

Your directors would like to inform shareholders that in the 38th Annual General Meeting (AGM) held on June 19, 2021, M/s S. R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Reg. No. 301003E / E300005), was re-appointed as the statutory auditors of the Company. Their re-appointment is for a period of five consecutive years, starting from the conclusion of the 38th AGM until the conclusion of the 43rd AGM.

M/s S. R. Batliboi & Co. LLP has diligently audited the books of accounts of the Company for the financial year ended March 31, 2023. They have issued the Independent Auditors' Report, providing their professional opinion on the Company's financial statements.

We are pleased to inform you that no frauds have been reported by the auditors to the Audit & Compliance Committee or the Board under Section 143(12) of the Companies Act, 2013. This reaffirms the integrity and accuracy of the financial information presented in the Company's financial statements.

32. Auditor's Report

There is no qualification, reservation, adverse remark, or disclaimer made by the Statutory Auditors and/or Secretarial Auditors of the Company in their report for the financial year ended March 31, 2023. However, the statutory auditors have placed emphasis on certain matters in the audit report related to the restatement of financial results and demerger accounting. These matters are self-explanatory and have been adequately disclosed in note no 48 & 45B of the standalone financial statements. Therefore, they do not require any further explanation or comment under Section 134(3)(f) of the Companies Act, 2013.

33. Cost Auditors

In accordance with Section 148 of the Companies Act, 2013, the Company maintains cost records as required, and a Cost Accountant conducts an audit of these records. The Board of Directors, based on the recommendation of the Audit & Compliance Committee, has approved the appointment of M/s R J Goel & Company, Cost Accountants, New Delhi, as the Cost Auditors of the Company for the financial year ending March 31, 2024.

Furthermore, the Cost Audit Report for the financial year ended March 31, 2022, provided by M/s R J Goel, the Cost Auditor, does not contain any qualification or adverse remarks that require any clarification or explanation.

34. Corporate Insolvency Resolution Process (CIRP)

Please take note that in the year 2014, HT Media Limited filed a winding-up petition before the Hon'ble Gujarat High Court at Ahmedabad. This petition was based on an unsustainable claim related to a commercial dispute in 2012 involving another corporate entity, with GHCL being a party to a tri-partite agreement. The Company made necessary disclosures regarding this matter to the Stock Exchanges on October 20, 2014.

During the year, the Hon'ble Gujarat High Court transferred the petition to the Hon'ble National Company Law Tribunal (NCLT) in Ahmedabad as a Corporate Insolvency Resolution Process (CIRP) application. The Company filed the required disclosure regarding this transfer to the Stock Exchanges on November 2, 2022. It is worth mentioning that despite being an operational creditor, HT Media has filed the present CIRP claiming to be a financial creditor. It is evident that HT Media, fully aware of the lack of merit in their claims, withdrew two Arbitration Petitions in 2014 and 2015 that they had filed before the Hon'ble Delhi High Court under the Arbitration and Conciliation Act, 1996.

We would like to inform you that the present CIRP proceeding has been initiated but has not been admitted thus far. The case is currently pending before the Hon'ble NCLT in Ahmedabad. The Company has submitted a detailed reply countering all the allegations made by HT Media. GHCL is fully prepared to defend itself in the present CIRP based on the merits of the case.

35. Directors' Responsibility Statement

Based on the framework of internal financial controls established and maintained by the company, work performed by the internal, statutory, secretarial and cost auditors and external agencies including audit of internal financial controls over financial reporting by the statutory auditors and reviews performed by the management and relevant Board Committees, including the Audit & Compliance Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during financial year 2022-23. Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability confirm that:

a. in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit and loss of the Company for the financial year ended March 31, 2023;

c. the proper and sufficient care has been taken by them for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the annual accounts for the financial year ended March 31, 2023 have been prepared by them on a going concern basis;

e. proper Internal financial controls have been followed by the company and that such internal financial controls are adequate and were operating effectively; and

f. proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

36. General Disclosures

Your Directors state that no disclosure or reporting is required in respect of the following matters as there is no transaction on these items during the year under review:

(i) Details relating to deposits covered under Chapter V of the Act.

(ii) Issue of equity shares with differential rights as to dividend, voting or otherwise.

(iii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Schemes referred to in this Report.

(iv) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

(v) No significant or material orders were passed by the Regulators or Courts or Tribunals, which impact the going concern status and Company's operations in future.

(vi) There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016 except one matter mentioned above in a separate para.

37. Acknowledgement

The Board of Directors extends its heartfelt gratitude to the customers, vendors, dealers, investors, business associates, and bankers for their unwavering support throughout the year. Their continued trust and collaboration have played a significant role in the Company's success.

The Board also acknowledges and appreciates the dedication and contributions of the employees at all levels. Their commitment, hard work, teamwork, and support have been instrumental in overcoming challenges and achieving our goals. We value their resilience and unwavering commitment to the Company's growth.

Furthermore, the Board expresses sincere thanks to the Government of India, the State Governments, statutory authorities, and other government agencies for their support. We acknowledge their role in creating a conducive business environment and look forward to their continued support in the future.

The collective efforts and support of all stakeholders have been crucial in driving the Company's progress, and the Board acknowledges their invaluable contributions.

For **GHCL LIMITED**

Sanjay Dalmia
Chairman

Dated: April 29, 2023
Place: New Delhi

Annexure - I

Sl. No.	Particulars	GHCL ESOS 2015 – Grant 3 (Date of grant – October 24, 2017)	GHCL ESOS 2015 – Grant 5 (Date of grant – April 25, 2018)	GHCL ESOS 2015 – Grant 6 (Date of grant – April 25, 2018)	GHCL ESOS 2015 – Grant 7 (Date of grant – April 25, 2018)	GHCL ESOS 2015 – Grant 8 (Date of grant – April 25, 2018)	GHCL ESOS 2015 – Grant 9 (Date of grant – April 30, 2022)
1	Total no. of options in force (as on April 1, 2022)	7,500	2,10,000	15,000	22,500	50,000	0
2	Options granted during the year	0	0	0	0	0	8,11,000
3	Options vested during the year	0	2,10,000	5000	7500	10000	0
4	Options exercised during the year	2500	2,10,000	5000	7500	10000	0
5	The total number of shares arising as result of exercise of option	2500	2,10,000	5000	7500	10000	0
6	Options lapsed during the year	0	0	10,000	15,000	40,000	30,000
7	The exercise price	Rs. 170 per share	Rs. 150 per share	Rs. 150 per share	Rs. 150 per share	Rs. 150 per share	Rs. 574 per share
8	Variation of terms of option	No variation	No variation	No variation	No variation	No variation	No variation
9	Money realised by exercise of options (Rs. In Crore)	0.0425	3.150	0.075	0.1125	0.15	0
10	Total number of options in force	5,000	0	0	0	0	7,81,000
11	Employee wise details of options granted to:						
	(i) Key Managerial Personnel	NIL	NIL	NIL	NIL	NIL	3,10,000
	(ii) Any other employee who receives a grant of options in any one year of option amounting to 5% or more of options granted during that year	NIL	NIL	NIL	NIL	NIL	NIL
	(iii) Employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	NIL	NIL	NIL	NIL	NIL	NIL
12	Pricing formula	The exercise price may vary for each Grant. Exercise price will be determined by the Committee at the time of each grant, in conformity with the 'Guidance Note on Accounting for employee share-based Payments' or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time. Committee may determine exercise price which may be at discount to the market value but shall not be less than the face value of shares.					
13	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard AS-20.	NIL					
14	Difference between the employees compensation cost based intrinsic value of the stock and the fair value of the year and its impact on profits and EPS of the Company	0.06	-	-	-	-	15.75

Sl. No.	Particulars	GHCL ESOS 2015 – Grant 3 (Date of grant – October 24, 2017)	GHCL ESOS 2015 – Grant 5 (Date of grant – April 25, 2018)	GHCL ESOS 2015 – Grant 6 (Date of grant – April 25, 2018)	GHCL ESOS 2015 – Grant 7 (Date of grant – April 25, 2018)	GHCL ESOS 2015 – Grant 8 (Date of grant – April 25, 2018)	GHCL ESOS 2015 – Grant 9 (Date of grant – April 30, 2022)
15	a) Weighted average exercise price of options	Rs. 170.00	Rs. 150.00	Rs. 150.00	Rs. 150.00	Rs. 150.00	Rs. 574.00 **
	b) Weighted average fair value of options	Rs. 113.86	Rs. 172.58	Rs. 183.63	Rs. 183.03	Rs. 192.68	Rs. 201.67
16	Method and significant assumptions used to estimate the fair values of options	Black –Scholes model	Black –Scholes model	Black –Scholes model	Black – Scholes model	Black – Scholes model	Black – Scholes model
	(i) Risk free interest rate	6.762%	7.65%	7.65%	7.65%	7.65%	6.68%
	(ii) Expected life	2 years (for 50% vesting) & 3 years (for balance 50% vesting)	2 years (for 1/3rd vesting), 3 years (for 1/3rd vesting) and 4 years (for balance 1/3rd vesting)	3 years (for 1/3rd vesting), 4 years (for 1/3rd vesting) and 5 years (for balance 1/3rd vesting)	3 years (for 1/3rd vesting), 4 years (for 1/3rd vesting) and 5 years (for balance 1/3rd vesting)	4 years (for 1/3rd vesting), 5 years (for 1/3rd vesting) and 6 years (for balance 1/3rd vesting)	2 years
	(iii) Expected volatility	36.77%	39.51%	39.51%	39.51%	39.51%	43.56%
	(iv) Expected dividend	NIL	NIL	NIL	NIL	NIL	NIL
	(v) Market price of the underlying share on grant date*	Rs. 251.05	Rs. 286.50	Rs. 286.50	Rs. 286.50	Rs. 286.50	Rs. 619.25

**The closing price of the Company's share on the date previous to the grant on NSE, being Exchange which had higher trading.*

*** Pursuant to the order passed by Hon'ble NCLT Ahmedabad bench, the yarn business of the company is demerged and transferred to GHCL Textiles Limited effective from April 1, 2023. Thereafter, in terms of ESOP Scheme, read with Scheme of Demerger and valuation report prepared by independent valuer to accommodate the value of Yarn business, the grant price / exercise price is adjusted to Rs. 376 per share.*

Annexure - II

GHCL's NOMINATION & REMUNERATION POLICY

[Regulation 19 of SEBI Listing Regulations, 2015 and Section 178(4) of the Companies Act, 2013]

I. Criteria for determining qualifications, positive attributes and independence of director:

A. Qualifications

A director shall possess appropriate knowledge and experience in their domain areas such as chemicals, textiles, mines, windmills, salt industry, law, banking and finance, corporate, governance, risk management, administration, CSR etc. and such other disciplines related to the company's business. In addition to above, at the time of appointment, emphasis will be given on experience, expertise, track record and reputation of the director.

B. Positive Attributes

A director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity. Director shall act objectively and constructively and exercise his/her responsibilities in a bona-fide manner in the interest of the company. A director must devote sufficient time and attention to his/her professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices for the growth of the Company and its stakeholders. A director should be able to assist the Board, have a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company. The person should be forward looking, ethical and law abiding.

C. Independence standards

The candidate shall be evaluated based on the criteria provided under the applicable laws including Companies Act, 2013 read with Rules thereon and the SEBI Listing Regulations, 2015 with the Stock Exchanges. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relative to a Director's independence. Each director has an affirmative obligation to inform the Board of any change in circumstances that may put his/her independence at issue.

The director's independence for the independent director will be determined by the Board on an annual basis upon the declarations made by such director as per the provisions of the Companies Act, 2013 read with Rules thereon and the SEBI Listing Regulations , 2015.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate.

II. Compensation Policy :

The company's Compensation Policy and Practices have been formulated and maintained to meet the following objectives:

1. To attract, retain and motivate qualified and competent individuals as Director, Key Managerial and other employee levels to carry out company's business operations as assigned to them.
2. To ensure payment of salaries and perks that are comparable to market salary levels so as to remain competitive in the industry.
3. To revise the remuneration of its employees periodically for their performance, potential and value addition after systematic assessment of such performance and potential.
4. To ensure disbursal of salary and perks in total compliance to the applicable statutory provisions and prevailing tax laws of the Country.

In order to meet the above objectives the company undertakes various processes in an ongoing manner such as conducting of salary survey's in every three years, periodic review of its performance appraisal and reward systems, institution of incentive schemes, providing skill and competency development to its manpower on a regular basis, providing fast track career growth paths to high performers, modification of salary structure in line with the changes in the tax laws etc.

With regard to the annual revision of the employees, respective reporting managers assess the performance of employees. However the authority for reviewing the performance and reward rests with the Nomination & Remuneration Committee of the Board of Directors of the company. In this assessment, the performance, potential and value addition to the company are assessed as detailed under:

In accordance with the widely followed practices, broadly, performance is classified in to 4 categories viz. Top, Vital, Average and Below Average (Bottom). Subsequent to completion of the structured review process, each employee is placed in one of these categories to determine the quantum of reward to be given to him/her. As the company takes continuous efforts to maintain its workforce employable, majority of the employees i.e. app. 70% of the population is generally assessed as Vital Contributors and the salary increase to be given to that category of employees is fixed as the bench mark.

Executive cadre employees, depending upon their scope and impact of role are placed in 14 levels which are further grouped in to 5 job bands in line with the prevailing corporate practices. Revision of compensation is based on a Matrix which defines the quantum of increase applicable to an employee in a particular performance class in a particular level.

In the proposed Performance Assessment Model, Performance Class – VITAL has been taken as benchmark as majority of the employees fall in this category. The Top performers in each level would be given 130% of the increment applicable to Vital Class. Employees rated as Average will be given 50% of increment applicable to Vital Class and Bottom performers are given 50% of Average performers.

It is further proposed that an employee in a particular grade would receive 120% of increment applicable for an employee one grade below him for a similar rating. Where there is a change in the band, this increase will be 125%. This will be effected in Band 1 and 2. However, from Level 7A (7.5) and upwards, instead of band, this increase will be 125% in each level as the performance impact and competency requirements are significantly different for each senior and top level positions. Going forward, depending upon the various parameters and need of the organisation to retain high performers and dissuade mediocre performance on the job, the rate or quantum of increase to be given to various categories of performances may vary.

Additionally, in order to get best talent from the market and retain them for longer period, company has a policy to pay compensation better than prevailing market practice to deserving candidates. In any circumstance, remuneration shall not be less than prevailing market trend.

With reference to remuneration payable to the Managing Director and Whole time Director, the shareholders have passed resolution under Section 196 and 197 of the Companies Act, 2013 and approved the overall remuneration (including the commission) upto 10% of the net profit of the company for the Managing Director and Whole time Director. The shareholders have empowered Board of Directors to decide the annual increment and fixed the quantum of commission with respect to each financial year on recommendation of the Nomination and Remuneration Committee.

The Board of Directors, in their meeting held on April 21, 2006, on recommendation of the Nomination and Remuneration Committee, had decided that the commission payable to Managing Director and Whole time director collectively shall not exceed 4% of the net profit of the company for such financial year for which the commission is payable.

The Nomination & Remuneration Committee in their meeting held on April 29, 2023 has decided that due to the demerger of Yarn business and slump sale of Home textile division, the issue of fresh stock options to the executive directors would be considered after 3 years.

Amendment & Policy Review

This policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder and the requirements of the SEBI Listing Regulations, 2015 with the Stock Exchanges. Accordingly, any subsequent amendment/modifications in the Companies Act, Listing Regulations and /or other applicable laws in this regard shall automatically apply on this policy.

Annexure - III

POLICY ON VARIABLE PAY / COMMISSION PAYABLE TO EXECUTIVE DIRECTORS INCLUDING MANAGING DIRECTOR

1. Introduction

a. This policy is known as Policy on payment of variable pay / commission payable to Executive Directors including Managing Director.

b. This policy should be read along with GHCL's Nomination and Remuneration Policy as may be amended from time to time.

2. Maximum limit for payment of variable pay/ commission:

With reference to remuneration payable to the Managing Director and Whole Time Directors, shareholders have passed enabling resolution under Section 196 and 197 of the Companies Act, 2013 and approved the overall remuneration (including the variable pay/ commission) upto 10% of the net profit of the company for the Managing Director and Whole Time Directors. The shareholders have empowered Board of Directors to decide the annual increment and fixed the quantum of variable pay and profit linked commission with respect to each financial year on recommendation of the Nomination and Remuneration Committee.

The Board of Directors, in their meeting held on April 21, 2006, on recommendation of the Nomination and Remuneration Committee, had decided that the variable pay/ commission payable to the Managing Director and Whole time directors collectively shall not exceed 4% of the net profit of the company for such financial year for which the commission is payable.

3. Performance matrix for determining the variable pay/ commission for Executive directors including managing director

The Nomination and Remuneration committee while recommending the variable pay/ commission for Executive directors including the managing director shall consider inter alia the following:

(a) Achieving growth and profitability targets;

(b) Sustainability and ESG Targets - Health, Safety & Environment (HSE) score card;

(c) Effective implementation of BRSR Principles and its annual targets;

(d) Ensuring sustainable supply chain management and Vendor's Sustainability initiatives and Advancement of Customers Serviceability;

(e) CSR projects targets and Beneficiaries' impact; and

(f) Employees Great Place to Work score card and Learning organisation Initiatives

4. Four Pillars Strategy:

GHCL works on four pillars strategy of Growth, Governance, ESG & Sustainability, and making Learning organisation to achieve its vision i.e. "To grow our business responsibly, with governance, sustainability and core values as our foundation"

The Nomination and Remuneration committee while recommending the variable pay / commission of whole time directors including managing director shall evaluate their performance keeping in view the effective implementation and achievement of target sets as mentioned in above paragraph.

In no circumstances the variable / commission payable to all Executive Directors including managing director shall exceed to 4% of the net profit of the company for any particular financial year.

5. Overall Maximum Cap on Remuneration

The maximum cap on remuneration including fair value of ESOP and others, variable pay, director's commission and fixed salary for the managing director would be Rs. 15 Cr per annum and for all the executive directors including managing director, collectively would be Rs. 30 Cr per annum.

Disclosure:

This policy should be read as a part of additional disclosure with respect to the total remuneration payable to the managing director and / or executive directors whose proposal for appointment / re-appointment and payment of their remuneration is placed before the Shareholders for their approval from time to time.

Annexure - IV

DISCLOSURE OF MANAGERIAL REMUNERATION

A Ratio of remuneration of each Director to the Median remuneration of the employees of the Company for the F Y 2022-23 as well as percentage increase in remuneration of each Director

Name of the Director	Ratio to Median Remuneration	% Change in remuneration over previous year
Non-Executive Director		
Mr Sanjay Dalmia	73.63	22.86
Mr. Anurag Dalmia	62.23	23.66
Mr.Lavanya Rastogi	31.37	20.39
Mrs. Vijaylaxmi Joshi	33.68	17.67
Dr. Manoj Vaish	34.45	18.50
Mr. Arun Kumar Jain	32.91	18.16
Justice Ravinder Singh	32.65	16.17
Executive Directors		
Mr. R S Jalan	952.20	-2.09
Mr. Raman Chopra	568.13	1.34
Mr. Neelabh Dalmia	165.38	3.07

Percentage increase in remuneration of Mr. Bhuwneshwar Mishra, Vice President - Sustainability & Company Secretary is 52.04%

B Percentage increase in median remuneration in the FY 2022-23: 4.09%

C Number of Permanent employees on the roll of the Company as on 31/03/2023: 3837

D

Particulars	% Change in remuneration
Average percentile increase in Salary of employees other than managerial	39.31%
Average percentile increase in remuneration of managerial personnel	-3.11%

Annexure - IV

E Affirmations: It is affirmed that the remuneration paid to the directors, key managerial personnel and other employees are as per the Remuneration Policy of the Company.

Information as per Rule 5 (2) of the Companies (Appointement and Remuneration of Managerial Personnel) Rules 2014

List of Top Ten Employees and /or other Empolyees who have been paid Rs. 8.5 Lacs or above per month during the year 2022-23

Sl no.	Employee Name	Age	Designation	Gross Remuneration *(Rs) 22-23	Educational Qualification	Experience (Years)	Date of commencement of Employment	Previous employment and designation
1	R S Jalan	65	Managing Director	14,87,21,989	B Com, FCA	39	7-Jun-02	Sree Meenakshi Mills / Exec. Director
2	Raman Chopra	57	CFO & Executive Director - Finance	8,87,33,928	B Com, FCA	34	1-Oct-03	Dalmia Brothers Pvt Ltd / Vp-Spl. Proj.
3	Neelabh Dalmia **	39	Executive Director- Textiles	2,58,30,940	MBA	33	1-Feb-20	GHCL Ltd./Non - Executive Director
4	N N Radia	67	COO - Soda Ash	2,41,02,002	BE -Mechnical	40	16-Jan-86	Tata Chemicals Ltd. / Shift In Charge
5	M Sivabalasubramanian	62	CEO - Yarn	1,98,48,245	BE -Textiles	38	17-May-95	Loyal Textile Mills Ltd / Manager-Qa
6	Biswarup Goswami	57	Chief Human Resource Officer	1,31,76,968	PG Diploma in Social Service- Personnel Management & IR, LLB	36	3-Feb-20	Pi Industries Limited/ Sr. VP - HR
7	Sunil Kumar Singh	53	Head of Marketing, Soda Ash & CPD	1,11,23,154	B Tech(Civil Engg), EMBA (Marketing)	30	24-Aug-92	GHCL Limited
8	Jayesh P Shah	63	Vice President - HR & IR (SA Manufacturing)	1,09,70,836	Master in Social Work (MSW)	38	24-Apr-12	Alembic Ltd/GM (HR)
9	R Balakrishnan	57	CEO - Yarn	1,03,35,314	Diploma in Textile Technology	40	22-Mar-04	Nahar Export Ltd/ Vice President
10	Jayesh N Shah	65	Vice President - Production	96,24,211	BE - Chemical	39	5-Jul-85	DCW/Assistant Process Engineer

**The details in the above table are on accrual basis for better comparability with the KMP remuneration disclosures included in other sections of this Annual Report. Gross remuneration includes the Commission and / or fixed pay, variable pay, retiral benefits and the perquisite value of stock incentives exercised during the period, determined in accordance with the provisions of the Income-tax Act, 1961as applicable. Accordingly, the value of stock incentives granted during the period is not included. The number of stock incentives granted in fiscal 2022 is included in the table above.*

** Mr. Neelabh Dalmia is a relative of Mr. Sanjay Dalmia and Mr. Anurag Dalmia, promoter Director of the Company .

The aforementioned employees have / had permanent employment contracts with the Company

None of the Employees mentioned above are holding 2% or more of the paid-up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Joining during the year :

NIL

Separation during the year :

Mr M Sivabalasubramanian retired on June 30, 2022
Mr Jayesh N Shah retired on September 30, 2022

Annexure - V

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

CSR Report for the financial year ended March 31, 2023

[Pursuant to Section 135 of the Companies Act, 2013]

1	**A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**	GHCL's commitment to the development of weaker sections of society is continuing since more than two decades. GHCL through its "GHCL Foundation Trust" has upgraded its CSR activities to cover a larger section of the society and included to provide support to the downtrodden, needy and marginalized citizens and also to create social infrastructure for their sustenance. The CSR Policy is posted on the website of the Company. Any body may visit www.ghcl.co.in

2 Composition of CSR Committee

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i	Mr. Anurag Dalmia	Non-Executive -Vice Chairman	2	2
ii	Mrs. Vijaylaxmi Joshi	Independent Director	2	2
iii	Justice Ravindra Singh*	Independent Director	2	1
iv	Mr. R S Jalan	Managing Director	2	2
v	Mr. Neelabh Dalmia	Executive Director (Growth & Diversification Projects)	2	2
vi	Mr. Raman Chopra	CFO & Executive Director (Finance)	2	2

**The Board of Directors in their meeting held on April 30, 2022 had reconstituted various committees including CSR committee and appointed Justice (Retd.) Ravindra Singh as a member of the CSR Committee with immediate effect.*

3	**Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**	https//www.ghcl.co.in/code of conduct
4	**Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).**	-
5	**Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**	-

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (Rs. Cr.)	Amount required to be setoff for the financial year, if any (Rs. Cr.)
i		0.00	0.00
		Total	**0.00**

Annexure - V

		(Rs. in Cr.)
6	Average net profit of the company as per section 135(5).	588.00
7	(a) Two percent of average net profit of the company as	11.76
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	0.00
	(c) Amount required to be set off for the financial year, if any	0.00
	(d) Total CSR obligation for the financial year (7a+7b-7c).	11.76

8 (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in Rs. Cr.)	Amount Unspent (in Rs. Cr.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (in Rs. Cr.)	Date of Transfer	Name of Fund	Amount	Date of Transfer
12.31	N.A				

8 (b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/No)	Location of the project		Project duration.	Amount allocated for the project (Rs. Cr.).	Amount spent in the current financial Year (Rs. Cr.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs. Cr.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
1	Roof Rain Water Harvesting and Village Water Distribution System & Jal Jivan Mission	Water Resource Development Programme (Drinking water)	Yes	All manufacturing site of GHCL Ltd. in the state of Gujarat & Tamilnadu	(1) Sutrapada, Dist. Gir Somnath (2) Rajula, Dist. Amreli (3) Ghogha, Dist. Bhavnagar (4) Bhilad, Dist. Valsad (5) Madurai Dist.(6) Mandvi, Dist. Kutchh	Ongoing projects / Multi year	1.03	0.49	0.00	No	GHCL Foundation Trust - Sutrapada	CSR00002359
2	Drip Irigation, Sprinkler Irrigation, Training , Agriculture inputs &other various activities	Agro based livelihood	Do	Do	Do	Do	1.87	1.75	0.00	No	Do	Do
3	Vocational Training Centre	Skill based livelihood	Do	Do	Do	Do	1.8	2.59	0.00	No	Do	Do
4	Animal Treatment Camp and Artificial Insemination center, Fodder seeds,Nuetrition Feed	Animal Husbandry	Do	Do	Do	Do	1	0.99	0.00	No	Do	Do
5	Mobile Dispensary, Health camps, Vaccination and Eye & General Health camps, Covid -19	Health	Do	Do	Do	Do	3.02	3.93	0.00	No	Do	Do
6	Site School near Mining area, Support To ICDS ,Scholarship and financial support for higher studies	Education	Do	Do	Do	Do	1.93	1.30	0.00	No	Do	Do
7	Formation of Self Help Group (SHG) and Training Programme	Women Empowerment	Do	Do	Do	Do	0.2	0.13	0.00	No	Do	Do
8	Support to effected peoples of cyclone,Street lights,Eradication Hunger Peoples	Rural Development & Promotion National Haritage	Do	Do	Do	Do	0.68	0.58	0.00	No	Do	Do
							11.53	**11.76**	**0.00**			

Annexure - V

8 (c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/ No)	Location of the project		Amount spent for the project (in Rs. Cr.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number.
1					N.A				
	Total								

8 (d)	**Amount spent in Administrative Overheads**	0.55
(e)	**Amount spent on Impact Assessment, if applicable**	-
(f)	**Total amount spent for the Financial Year (8b+8c+8d+8e)**	12.31

8 (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs. Cr.)
(i)	Two percent of average net profit of the company as per section 135(5)	11.76
(ii)	Total amount spent for the Financial Year	12.31
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.55
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

9 (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. Cr.)	Amount spent in the reporting Financial Year (Rs. Cr.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (Rs. Cr.)
				Name of Fund	Amount (Rs. Cr.)	Date of Transfer	
1			N.A				
	Total	0.00	0.00	0.00	0.00	0.00	0.00

9 (b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs. Cr.)	Amount spent on the project in the reporting Financial Year (in Rs. Cr.)	Cumulative amount spent at the end of reporting Financial Year. (in Rs. Cr.)	Status of the project - Completed / Ongoing
				N.A				
	Total				0.00	0.00	0.00	

10 In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year	NIL
(asset-wise details).	NIL
(a) Date of creation or acquisition of the capital asset(s).	NIL
(b) Amount of CSR spent for creation or acquisition of capital asset.	NIL
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	NIL
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	NIL
11 Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).	NA

The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company.

For **GHCL Limited**

R S Jalan
Managing Director
DIN: 00121260

Anurag Dalmia
Chairman of CSR Committee
DIN: 00120710

Annexure - VI

A. CONSERVATION OF ENERGY

a) Energy Conservation Measure Taken

1 Only energy efficient motors, transformers, compressors and LED Lights are being purchased for new installation and replacement at all Units.

2 Installation and commissioning of variable frequency drives in LB#78 boiler main drives and running successfully at Soda Ash Unit.

3 Reduction in specific steam consumption in distillation process. This was achieved by modifying flash tank vessel and operation philosophy at Soda Ash Unit.

4 Reduction in specific steam consumption in Briquette plant dryer by efficient use of steam at S oda Ash Unit.

5 Installation and commissioning of Energy efficient RO plant of 150 m/Hr at Soda Ash Unit.

6 Conversion of old RO inefficient plant by efficient RO plant of capacity 150 m/Hr at Soda Ash Unit.

7 Energy audit of entire plant by external agency M/S TERI has been done and implementation started at Soda Ash Unit.

8 Installation and commissioning of condensing cum back pressure turbine generator - V (18.5) MW for better steam power balance and timely maintenance of other TG at Soda Ash Unit.

9 Implementation of Relative Humidity (RH) based plant control by renovation and modification in Humidification plants at Madurai Unit.

10 Air leakage arresting project completed at Madurai Unit.

b) Additional Investment & proposals, if any, being implemented for reduction of consumption of energy

1 Installation of variable frequency drives in pumps and boilers at Soda Ash Unit.

2 Installation of renewable energy (wind + solar power) of 6.7 MW capacity.

3 Digitalisation study of Boiler will be taken, Energy Management System to be developed at Soda Ash Unit.

4 Installation of 1000 KW roof top solar plant in colony at Soda Ash Unit.

B. POWER & FUEL CONSUMED

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1 Electricity		
(i) Purchased Units (crores kwh)	6.70	10.55
Total amount (Rs. crores)	49.36	82.27
Rate per Unit (Rs.)	7.37	7.80
(ii) Own Generation		
(a) Through DG		
Units (crores kwh)	0.01	0.01
Units per litre of Diesel Oil	2.87	2.62
Cost per Unit (Rs.)	32.79	34.12
(b) Through GTG		
Units (crores kwh)	0.00	0.03
Units per SCM of Gas	0.00	4.81
Cost per Unit (Rs.)	0.00	11.55
(c) Through TG		
Units (crores kwh)	29.10	29.15
Cost per Unit (Rs.)	5.03	3.58

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(d) Through Windmill		
Units (crores kwh)	4.50	4.71
Total amount (Rs. crores)	16.54	15.04
Rate per Unit (Rs.)	3.67	3.20
(e) Through Solar		
Units (crores kwh)	2.64	0.46
Total amount (Rs. crores)	5.02	0.88
Rate per Unit (Rs.)	1.90	1.91
2 Coal		
Quantity (MT)	2,21,974	2,78,148
Total Cost (Rs. crores)	475.68	314.98
Average Rate (Rs/MT)	21,430	11,324
3 Lignite		
Quantity (MT)	1,67,425	1,99,747
Total Cost (Rs. crores)	80.87	90.04
Average Rate (Rs/MT)	4,830	4,508
4 Petroleum Coke		
Quantity (MT)	1,33,023	1,09,777
Total Cost (Rs. crores)	266.58	158.23
Average Rate (Rs/MT)	20,040	14,414
5 Bio Mass		
Quantity (MT)	317	0
Total Cost (Rs. crores)	0.29	0.00
Average Rate (Rs/MT)	9,104	0

6 Consumption per Unit of Production

	Production (MT)	Electricity (kwh/MT)	
		Year ended March 31, 2023	Year ended March 31, 2022
Soda Ash	11,30,462	260.70	270.08
Salt	31,930	28.05	33.45
Yarn	24,033	5.57	4.01
Cloth (Fabric '000 Meters)	0	0.00	0.95

Annexure - VI

C. TECHNOLOGY ABSORPTION

1 Future Action Plan

VACUUM SALT FROM WASTE HEAT :

We have engaged the services of a leading European technology supplier to conceptualise and install a 175 KT per year vacuum salt plant. The tailor made solution will involve sourcing the entire heat energy for evaporation from the waste heat of the Soda Ash plant.

2 Technology -Absorption ,Adoption and Innovation

Digital technology adoption : Data driven DIGITAL TWIN developed for Carbonation towers and four towers are being operated based on the data model at Soda Ash Unit.

A new 150 MTPD refined Sodium Bicarbonate plant will be commissioned. The Carbonation tower in this plant is a first of its kind in India and utilises recirculation principles to derive better conversion efficiencies as well as better crystal shape and size

3 Information Regarding Technology imported during last three year

Know how for 250 MT per day carbonation tower

D. FOREIGN EXCHANGE EARNING AND OUTGO

	Year ended March 31, 2023 (Rs. in Crores)	Year ended March 31, 2022 (Rs. in Crores)
Earnings	289.30	820.85
Outgo (Includes CIF value of imports)	1,451.14	1,119.10

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity:**	L24100GJ1983PLC006513
2. **Name of the Listed Entity:**	GHCL Limited
3. **Year of incorporation:**	14-10-1983
4. **Registered office address**	'GHCL House' Opp. Punjabi Hall, Navrangpura, Ahmedabad- 380 009 (Gujarat)
5. **Corporate address:**	GHCL House' B-38, Institutional Area, Sector-1, Noida-201301 (Uttar Pradesh)
6. **E-mail:**	secretarial@ghcl.co.in
7. **Telephone:**	1204939900
8. **Website:**	https://www.ghcl.co.in/
9. **Financial year for which reporting is being done:**	2022-23
10. **Name of the Stock Exchange(s) where shares are listed:**	NSE, BSE
11. **Paid-up Capital:**	INR 95,58,57,860
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**	Mr. Bhuwneshwar Mishra, Vice President - Sustainability & Company Secretary bmishra@ghcl.co.in 0120-4939900/2535335
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):**	The BRSR (Business Responsibility and Sustainability Report) provides comprehensive information about GHCL's operations during the period from April 1st, 2022, to March 31st, 2023. This report specifically focuses on GHCL's manufacturing sites for Soda Ash, Yarn, and Consumer Products. It aims to provide detailed insights into the company's performance, initiatives, and practices related to business responsibility and sustainability. Furthermore, the report includes employee data, encompassing GHCL's marketing offices, corporate offices, and registered office. This data provides an overview of the company's workforce, highlighting the human resources aspect of GHCL's operations. By examining the BRSR, stakeholders and interested parties can gain a comprehensive understanding of GHCL's commitment to responsible business practices, sustainability efforts, and employee engagement across its various manufacturing and office locations.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Inorganic Chemicals	GHCL is engaged in the manufacturing of chemicals and chemicals products	100%
2.	Cotton Yarn/ Fabrics	Spinning and weaving	Discontinued operations due to demerger

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Inorganic Chemicals	201	100%
2.	Cotton Yarn/ Fabrics	131/139	Discontinued operations due to demerger

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	3	2	5
International	0	0	0

17. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	20 States and 5 Union territories
International (No. of Countries)	29

b. What is the contribution of exports as a percentage of total turnover of the entity?

4%

c. A brief on types of customers

This report offers a comprehensive overview of GHCL's product portfolio across its three distinct segments: Chemicals, Yarn, and Consumer Products. GHCL serves a wide range of customers through these segments, with its Chemicals and Consumer Products segments catering to both industrial and individual customers.

The Yarn segment, on the other hand, is exclusively focused on serving industrial customers, specifically textile manufacturing companies. The report provides detailed information on the product offerings for each segment, highlighting GHCL's commitment to delivering high-quality products and services to meet the unique needs of its customers.

By offering a detailed analysis of its product portfolio across different segments, the report demonstrates GHCL's strategic approach towards diversifying its offerings and meeting the demands of a diverse customer base.

IV. Employees

18. Details as at the end of the Financial Year i.e.

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	735	674	92%	61	8%
2.	Other than Permanent (E)	28	26	93%	2	7%
3.	Total employees (D + E)	763	700	92%	63	8%
	WORKER					
4.	Permanent (F)	3,102	1,123	36%	1,979	64%
5.	Other than Permanent (G)	3,223	2,711	84%	512	16%
6.	Total workers (F + G)	6,325	3,399	54%	1,717	27%

b. Differently abled employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	0	0	0	0	0
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	21	13	62%	8	38%
5.	Other than permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	21	13	62%	8	38%

19. Participation/inclusion/representation of women

	Total (A)	No. and the percentage of females	
		No. (B)	% (B/A)
Board of Directors	10	1	10%
Key Management Personnel	3	0	0%

**Key Management Personnel stands for Managing Director, CFO, Executive Director and Company Secretary.*

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total
Permanent Employees	8.8%	18%	9.5%	6.1%	10.2%	6.4%
Permanent Workers	14.2%	38.8%	29.9%	13.1%	46.5%	32.5%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

V. Holding, subsidiary and associate companies (including joint venture)

21. Name of the holding / subsidiary / associate companies / joint ventures (A) –

1. **Do the entities indicated in the above table participate in the Business Responsibility initiatives of the listed entity? (Yes/No)**

S. No.	Name of the holding / subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity (31st March 2023)	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Dan River Properties, USA	Subsidiary	100%	No
2	GHCL Textiles Limited*	Subsidiary	100%	No

**GHCL Textiles Limited was incorporated for the purpose of giving effect to the transfer of Yarn business pursuant to Hon'ble NCLT order. The scheme became effective from April 1, 2023 and as per the scheme the initial investment made by GHCL Limited into GHCL Textiles Limited stands cancelled.*

VI. CSR details

22. i. Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes

ii. Turnover (in Rs): 4,584.05 Cr

iii. Net worth (in Rs.): 3933.88 Cr

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/No) (If yes, then provide web-link for grievance redressal policy)	FY 2022-23		FY 2021-22	
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year
Communities	Yes	17	1	22	NIL
Investors (other than shareholder)	Yes	NIL	NIL	NIL	NIL
Shareholder	Yes	38	NIL	8	NIL
Employees	Yes	2	NIL	NIL	NIL
Customers	Yes	27	NIL	70	NIL
Suppliers	Yes	NIL	NIL	19	NIL

Link to our investor grievance policy - https://ghcl.co.in/wp-content/uploads/2022/04/GHCL-Investor-Grievance-Redressal-Policy.pdf

24. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Employee Engagement, Training, and Professional Advancement	OPPORTUNITY	GHCL prioritizes an employee-friendly workplace, fostering a positive work environment. The company's proactive approach includes implementing various employee engagement initiatives. By focusing on enhancing employee satisfaction and well-being, GHCL effectively reduces turnover rates and boosts productivity levels. These efforts contribute to creating a motivated and dedicated workforce, driving the company's overall success.	NIL	POSITIVE
2.	Health and Safety	RISK	Injuries at manufacturing facilities have a significant impact on both the physical and mental well-being of employees, as well as the overall productivity of the company. GHCL recognizes the importance of mitigating such incidents and is committed to creating a safe and secure work environment. By implementing robust safety measures, providing comprehensive training, and promoting a culture of safety, GHCL strives to prevent injuries and prioritize the well-being of its employees. These efforts not only safeguard the workforce but also contribute to increased productivity and operational efficiency for the company.	To uphold the utmost standards of health and safety, GHCL consistently reviews and updates its policies. The company regularly identifies areas for improvement to ensure a proactive approach to safety. GHCL is committed to its vision of attaining Zero Accidents and Zero Incidents, which aligns with its broader Sustainability Vision for 2023. By actively working towards these goals, GHCL emphasizes its dedication to creating a workplace environment that prioritizes the well-being of its employees and minimizes any potential risks.	NEGATIVE

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Human Rights and Fair Labour Standards	RISK	Neglecting human rights violations and labor relations can lead to protests and strikes, causing major disruptions to company productivity. External stakeholders often express concerns about such situations. By proactively addressing human rights and fostering positive labor relations, GHCL mitigates potential negative impacts on the business and maintains harmonious stakeholder relationships.	GHCL places great importance on the opinions and concerns of its employees and workers, creating a conducive environment for open communication. The company actively encourages and supports the unionization of employees as a means of safeguarding their labor rights. By providing a platform for free expression and supporting collective bargaining, GHCL demonstrates its commitment to fostering a fair and inclusive workplace that respects and protects the rights of its workforce.	NEGATIVE
4.	Sustainable Products and Packaging	OPPORTUNITY	Embracing sustainable products and packaging solutions not only contributes to environmental stewardship but also brings about cost savings and enhances the efficient utilization of natural resources. By transitioning to sustainable practices, GHCL can optimize resource allocation, reduce waste, and realize long-term economic benefits while minimizing its ecological footprint. This strategic shift aligns with the company's commitment to sustainability, promoting responsible and efficient operations for a better future.	NIL	POSITIVE
5.	Process Improvement and Innovation	OPPORTUNITY	GHCL is poised to harness the advantages of innovative manufacturing processes, yielding multiple benefits such as heightened gross output, decreased time per unit, and optimized employee utilization.	NIL	POSITIVE

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			By adopting cutting-edge techniques and technologies, GHCL aims to enhance operational efficiency, streamline production workflows, and maximize productivity. These improvements contribute to the company's overall competitiveness and sustainable growth in the market.		
6.	Corporate Social Responsibility	RISK and OPPORTUNITY	**RISK** Companies are increasingly recognizing the need to prioritize the protection of communities. **OPPORTUNITY** Companies are increasingly recognizing the need to prioritize the protection of communities, making it imperative for them to strengthen their efforts in this area.	It is becoming increasingly important for companies to prioritize the safeguarding of communities, compelling them to intensify their efforts in this regard.	POSITIVE: Organizations can benefit significantly from obtaining a social license to operate and garnering support from the local community.
7.	Ethical Supply Chain Management	OPPORTUNITY	Failure of suppliers to conduct adequate Environmental and Social (E&S) risk assessments poses a significant threat, potentially resulting in the closure of production units and adversely impacting our output. To mitigate this risk, it is crucial for suppliers to prioritize E&S assessments, ensuring compliance with sustainability standards and maintaining uninterrupted production operations. Proactive measures in supplier selection and collaboration can help safeguard against potential disruptions and maintain a sustainable supply chain.	Incorporating Environmental and Social (E&S) indicators into vendor/supplier due diligence is essential to ensure responsible sourcing practices. Evaluating suppliers based on E&S criteria, along with regular assessments of the effectiveness of their E&S systems, helps identify potential risks and supports sustainable business practices. This proactive approach strengthens supply chain resilience, promotes responsible supplier relationships, and mitigates any adverse impacts on the environment and society.	NEGATIVE

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Energy and GHG Emissions Reduction	RISK	GHCL's business and operational activities face potential impacts in the short, medium, and long term due to the ever-changing regulatory landscape concerning energy and greenhouse gas (GHG) emissions. The evolving regulations necessitate careful adaptation and compliance to mitigate any potential disruptions. Furthermore, the physical impacts of climate change, such as altered precipitation and temperature patterns, as well as increased frequency of extreme weather events, pose significant risks to GHCL's operations. It is crucial for the company to proactively assess and address these risks to safeguard its operations and maintain business continuity. Implementing resilient strategies and adopting sustainable practices can help mitigate the adverse effects of climate change on GHCL's operations.	GHCL is committed to reducing its greenhouse gas (GHG) footprint by investing in technology upgrades that promote sustainability and minimize environmental impact. Additionally, the company recognizes the importance of managing carbon risks and opportunities and is considering the adoption of an internal carbon price mechanism. GHCL will maintain its focus on understanding the broader implications of climate change on its operations and supply chain. This includes assessing the potential risks and exploring suitable solutions for climate change mitigation and adaptation. By prioritizing these initiatives, GHCL demonstrates its dedication to sustainable practices and addressing the challenges posed by climate change.	NEGATIVE
9.	Water Management	RISK	Withdrawal of water for industrial purposes can have a substantial impact, especially in regions facing high water stress levels. GHCL recognizes the importance of responsible water management and is committed to minimizing its water footprint.	GHCL is steadfast in its commitment to reducing freshwater consumption and is actively pursuing various measures to achieve this target. By implementing water-efficient technologies, optimizing processes, and promoting responsible water practices across its operations, GHCL aims to minimize its freshwater usage. These relentless efforts reflect the company's dedication to sustainable water management and its contribution to preserving this vital resource for future generations.	NEGATIVE

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10.	Waste Reduction and Management	RISK	An organization has a sole responsibility to safely dispose of hazardous waste and adequately dispose of or recycle non-hazardous waste. Failure to do so could result in legal repercussions, fines, or penalties.	GHCL has set a goal to decrease waste generation and is making continuous efforts to reduce its environmental impact.	NEGATIVE

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.ghcl.co.in/brr-policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustees) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.		Global Organic Textile Standard (GOTS) ISO 9001: 2015	ISO 45001:2018 SA 8000	SA 8000 ISO 9001:2015 ISO 14001:2015	SA 8000	ISO 14001: 2015 -		SA 8000	ISO 9001:2015 HALAL certification ISO 22000: 2018 (A Food Safety Management System)
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	30% reduction in high risk supplier	Implementation of internal carbon pricing	Be among the Top 100 Great Places to Work Achieve single digit attrition rate 25% representation of overall female employees and 10% in executive cadre	Increased employment of specially abled candidates by 50%		Zero environmental incidences 20% specific freshwater consumption reduction 10% specific energy consumption reduction Green building certification for Noida office 20% reduction in GHG emissions Implementation of Internal Carbon Pricing		Evolve into a trusted CSR brand	

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	GHCL has achieved a commendable 33% reduction in high-risk suppliers compared to FY 2021-22. Our robust supplier assessment processes, engagement efforts, and transparency initiatives have contributed to this success. We prioritize responsible sourcing and supply chain sustainability, ensuring adherence to ethical, social, and environmental standards. This reduction reflects our commitment to managing supply chain risks and building a resilient business.	We are proud to announce the successful implementation of our Internal Carbon Price initiative at GHCL. As part of our commitment to sustainable business practices, we have adopted an internal shadow carbon price to guide our investment decisions across all operations. By incorporating a carbon price into our investment evaluation process, we ensure that the financial implications of carbon emissions are adequately considered. This internal mechanism helps us prioritize low-carbon projects, identify opportunities for emission reductions, and drive innovation toward cleaner and more sustainable technologies.	GHCL has been honoured with the prestigious "Great Place to Work" (GPTW) recognition for the 7th consecutive year. Our consistent inclusion among the top 50 companies in the manufacturing sector underscores our commitment to providing an exceptional work environment and fostering a culture of trust and excellence. We are proud to report a commendable attrition rate of 9.5% in the executive cadre, maintaining a single-digit attrition since FY'20. Our overall attrition rate for FY 2022-23 stands at 26%, reflecting our focus on employee retention and creating a fulfilling work environment. We are pleased to announce that we have achieved a noteworthy overall representation of 36% female employees,	In FY 2021-22, we employed 4 specially abled workers at our Soda Ash plant. However, in FY 2022-23, we are proud to announce that we have successfully achieved our targets with a significant increase in specially abled workers. We now have a total of 21 workers in both the Soda Ash plant and Yarn division, representing a 5-fold increase.		We are pleased to report that in FY 2022-23, GHCL achieved a significant milestone with zero environmental incidents. We are thrilled to announce that GHCL has accomplished an impressive 32% reduction in specific freshwater consumption compared to the base year FY 2018-19. This achievement showcases our unwavering dedication to responsible water management and sustainability Achieved a 12% energy efficiency increase compared to FY 2018-19, while targeting a 30% reduction in scope 1 and 2 emissions by 2030. To drive our improvement plan, we have implementing emission we have		GHCL Foundation Trust has taken a collaborative approach and believes in acting responsibly for the communities in the areas of our manufacturing facilities.	

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	We will continue to collaborate with suppliers, monitor performance, and drive continuous improvement. Our aim is to create a sustainable and responsible supply chain that aligns with our values and contributes to a better future.	The Internal Carbon Price serves as a valuable tool in aligning our business strategy with our environmental goals, enabling us to make informed decisions that not only benefit the environment but also contribute to long-term profitability and resilience. Through this initiative, we reaffirm our commitment to mitigating climate change and reducing our carbon footprint while actively pursuing sustainable growth.	demonstrating our commitment to gender diversity. In the executive cadre, we stand at 8% female representation. To enhance our performance, we have implemented employee engagement programs that promote inclusivity and create a supportive environment for all employees.			implementing emission reduction projects and embracing renewable energy sources for a greener and more d sustainable future. Committed to continuous improvement and environmental stewardship.			

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

   We prioritize creating shared value for all stakeholders, including customers, employees, suppliers, and communities. Our core values of Respect, Trust, Ownership, and Integrated Teamwork drive our vision and mission of responsible business growth and maximizing stakeholder value. We recognize the importance of measuring, managing, and reporting our environmental impact, both for the planet and our business's future growth. We are actively taking steps to address climate change and evaluating climate-related risks to develop a decarbonization plan.

   We are focused on creating shared value within the business, for our customers, suppliers, employees, communities, and all other stakeholders.

   Our Core Values, Respect, Trust, Ownership, and Integrated Teamwork are fostering the fuel for realising our vision and mission i.e., to grow our business responsibly, with governance, sustainability and responsibly maximising stakeholders' value.

   Measuring, managing, and reporting environmental impact is not only important for the planet and the communities in which we work but also essential for the future growth of our business. We have taken action to mitigate climate change and increasingly adaptation is a priority. We are evaluating the cclimate-related risks from our business, with the aim of developing a decarbonization map.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	DIN: 00121260 R. S. Jalan Managing Director								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any OTHER Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
	P 1 P 2 P 3 P 4 P 5 P 6 P 7 P 8 P 9	P 1 P 2 P 3 P 4 P 5 P 6 P 7 P 8 P 9
Performance against above policies and follow up action	Yes, we conduct performance review against all the NGRBC principles. The details are mentioned below: • **Operational Review (OR) meeting:** Review the overall business risks under the guidance of Managing Director. • **Risk & Sustainability Committee:** Review the performance of business risks against each indicator on periodic basis • **CSR Committee:** Reviews the initiative taken on CSR • **Audit & Compliance Committee:** Review the matter related to the compliance and internal control risks. ous meetings are reviewed in the subseque • **Investor's grievance Committee:** Review the matter related to the investor's grievances. • **Banking & Operations committee:** Review the matter related to general authorisation for representing company before various forums and providing of authorisation for banking transactions. • **Nomination & Remuneration committee:** Review the matter related to the talent acquisition, Employees Stock Options, Succession Planning and Board level appointment and nomination. The action points on previ nt meetings and suitable clarifications are taken.	Operational Review meeting – monthly • Risk & Sustainability – at least twice in a year • CSR – at least twice in a year • Audit & Compliance Committee – at least 4 times in a year • Investors Grievance committee – every fortnightly • Banking & Operations committee – need basis. • Nomination & Remuneration Committee – at least once in a year and on need basis.
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Board of Directors and its various committees review the compliance requirements on quarterly basis. The details are given in corporate governance report in para 19 (Compliance Management System)	

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	N	N	N	N	N	N	N	N	N

** An internal assessment of the workings of the BR policies has been conducted. In due course, the Company shall have an external assurance on the same as well.*

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATOR

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year.

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by awareness programmes
Board of Directors	4	**[Principle - 1]** • Disclosure of Corporate Governance Report U/R 27 of the Listing Regulations. • Disclosure requirement w.r.t. Investors / Analysts meeting. • System Driven Disclosures under SEBI (Prohibition of Insider Trading) Regulation. • Updates on SEBI Takeover Regulations. • Updates on Non-convertible Debt Securities. **[Principle - 3]** • Updates on ESOP regulations **[Principle - 4]** • Disclosure of Corporate Governance Report U/R 27 of the Listing Regulations. **[Principle 1 and 4]** • Updates on simplified norms for processing investor's services & updating KYC of Shareholders. **[Principle 1 to 9]** • ESG reporting u/r 34 (2) (f) of the Listing Regulations In addition to the above, functional management has also engaged the board on following topics ESG and Integrated Reporting, Business Updates, Export-Import Global Market Scenario, Forex Management, Role & Responsibility of Audit Committee, Related Party Transaction, Capex / Revenue Budget, Shareholding Pattern, Renewable Energy- Solar Project, Internal Auditor Report and Action Taken Report (ATR), Code of Conduct and Other Policies	100%

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by awareness programmes
Key Managerial Personnel	12	During their monthly meetings, KMPs were informed about a series of topics, including sustainable supply chain practices, vendor assessment, long-term contracts for raw material supply, risk identification and management, corporate social responsibility, green energy procurement, and business development. In addition to the above, the heads of each division also presented other topics related to Principles 1 through 9.	100%
Employees other than BoD and KMPs	147	One topic of discussion is the Environment, Social, Governance (ESG) framework which encompasses ESG metrics, risk management, board oversight, sustainability performance, and ESG disclosure. Additionally, there are ESG indicators, as well as trends and concerns related to the environment, social issues, and governance.	100%

2. **Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	Name of the regulatory / enforcement agencies / judicial institutions	NGRB Principle	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine					
Settlement			NIL		
Compounding Fee					

Non-Monetary				
	Name of the regulatory/ enforcement agencies/judicial institutions	NGRB Principle	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment		NIL		
Punishment				

3. **Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Not applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Our company upholds a robust policy on Ethics, Transparency, and Accountability that encompasses stringent measures to prevent and combat corruption and bribery. The Board of Directors conducts regular reviews and updates to our anti-corruption and anti-bribery policies, reinforcing our commitment to a "zero tolerance" stance against such practices. We emphasize conducting all business dealings and relationships with the utmost professionalism, fairness, and integrity, irrespective of geographical location. By adhering to these principles, we ensure a culture of ethical conduct throughout the organization.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

	FY 2022-23	FY 2021-22
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL

6. **Details of complaints with regard to conflict of interest**

The company makes every effort to ensure that conflicts of interest are handled and dealt in accordance with the business's policy, of the company, and that necessary consent is obtained from management, and that proper disclosures are provided in the annual report.

	FY 2022-23	FY 2021-22
	Number	Number
Number of complaints received in relation to issues of conflict of interest of directors	NIL	NIL
Number of complaints received in relation to issues of conflict of interest of KMPs	NIL	NIL

7. **Provide details of any corrective action taken or under way on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

LEADERSHIP INDICATORS

1. **Awareness programs conducted for value chain partners on any of the principles during the financial year.**

Total number of awareness programs held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programme
145	• Sustainable Supply Chain • EHS Compliance • Labour & Human Rights • Labours working condition • GHCL Code of Conduct	30%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the board? (Yes/No) If yes, provide details of the same.

Yes. We have a well-defined approach for dealing with situations with conflicts of interest, which is outlined in our Code of Conduct as well as our policy for the Board and Senior Management. Furthermore, we have a Grievance Redressal Policy that informs our shareholders about conflict resolution. During the fiscal year under review, we received and settled eight incidents of shareholder grievances or complaints.

The corporation discourages related party transactions as a general rule. However, in extraordinary instances, an adequate approval system is in place to seek Board / Audit committee and shareholder approval, which may occur throughout the course of business activities. Furthermore, interested directors are barred from participating in decision-making processes involving Related Party Transactions (RPT).

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATOR

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	Rs. 5 Cr	NIL	This fund of 5 Cr. was spent in the areas like new product development and the related research works.
Capex	Rs. 207 Cr	Rs. 173 Cr	This fund of Rs. 207 Cr. was spent in the areas like capacity expansion of a 40000-spindleage unit, replacement of capital equipment, infrastructure development & environmental projects like harmonic filter installation, exhaust air purification system and water management.

2. A) Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, all suppliers and vendors who work with GHCL are required to sign the Supplier Code of Conduct. Furthermore, we are now implementing a supply chain risk reduction programme to reduce risk in our supply chain. As part of the programme, we assess our suppliers based on Environmental, Social, and Governance (ESG) standards and then work with them to bring them up to speed and expectations with GHCL's requirements.

B) If yes, what percentage of your inputs was sourced sustainably?

During the reporting year, for Soda Ash approximately 43% of inputs materials are sourced sustainably.

We didn't acquire this type of cotton because we already have an adequate supply of Indian BCI Cotton in stock. However, we procured 100 MT of Australian BCI Cotton. With this, 5% of total cotton consumption is sourced sustainably.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for:

As part of our quest for process efficiency and product stewardship, our organization strongly believes in waste minimization and increasing and improving waste utilization as part of our drive.

(a) Plastics (including packaging),

(b) E-waste,

(c) Hazardous waste, and

(d) other waste.

a. **Plastic –**

Our company's Soda Ash segment has implemented the Plastic Waste Management (PWM) Program across multiple states, and we are currently collaborating with M/s. Shakti Plastics Industries to collect and safely dispose of plastic waste.

b. **Hazardous waste –**

Our Soda Ash branch has covered several states as part of the Plastic Waste Management (PWM) Program. We are working with M/s. Shakti Plastics Industries to collect and dispose of plastic trash safely.

c. **E- waste –**

We practice on-site garbage collection and segregation, which is then transported and sold to authorised certified recyclers.

d. **Other waste –**

Our Yarn section recycles its waste cotton into its operations. Furthermore, we recycle fly ash waste generated by boilers to make bricks and paver blocks.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, GHCL is subject to Extended Producer Responsibility (EPR). We concentrate on sustainable and cost-effective product end-of-life management. We have a trash collection plan that aligns with the EPR action plan, as well as a comprehensive model for product package collection and disposal. We prepared and submitted a Producer, Importer, and Brand Owner (PIBOs) action plan in compliance with our EPR liability Because EPR Responsibility for Producers focuses on 100% of the plastic packaging supplied into the market. Our PIBO's action plan has finally been authorized by the Central Pollution Control Board (CPCB).

LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
24117	Soda Ash	100%	Soda Ash Division	Yes (CII Godrej)	No

We have standard operating procedures (SOP) that apply to all our plants. It addresses the environmental aspects of GHCL activities, goods, and services over which it has control or influence, as these may provide the chance to reduce resource use and pollution or waste.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Limestone mining	Land use, dusting	Mines reclamation & afforestation
Raw material handling/ Storage	Air emission, Utilizations of energy/natural resources	Compliance with statutory norms, Cost reduction project & EHS objective
Utility & Power Plant	Air emission, waste generation, Energy utilization, Natural resource utilization	Compliance with statutory norms & Cost reduction project
Packaging & bagging	Plastic waste generation	Utilization of bulkers

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Fines (coke, briquette & anthracite) *	27.96%	22.75%

**Upon recalculation, we corrected fines (coke, briquette & anthracite) reported for FY 2021-22 to 22.75%*

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	2,228 MT through M/S Shakti plastics	471 MT	NIL	2,677 MT through M/S Shakti plastics	NIL
E-waste	Nil	4.99 MT	Nil	NIL	NIL	4.03MT
Hazardous waste	Nil	6.42 MT	1.75 MT	NIL	NIL	16.99MT
Other waste	Nil	0	1,51,792 MT	NIL	NIL	1,26,720 MT

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Plastics (including packaging)	2,228 MT

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATOR

1. a. Details of measures for the well-being of employees

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	674	674	100%	674	100%	674	100%	674	100%	NIL	NIL
Female	61	61	100%	61	100%	61	100%	NIL	NIL	20	33%
Total	**735**	**735**	**100%**	**735**	**100%**	**735**	**100%**	**674**	**100%**	**20**	**33%**
Other than Permanent employees											
Male	26	23	88%	23	88%	NIL	NIL	NIL	NIL	7	27%
Female	2	0	0%	0	0%	NIL	NIL	NIL	NIL	0	0%
Total	**28**	**23**	**82%**	**23**	**82%**	**NIL**	**NIL**	**NIL**	**NIL**	**7**	**25%**

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent workers											
Male	1,123	1,079	96%	1,123	100%	NIL	NIL	0	0	0	0%
Female	1,979	1,979	100%	1,979	100%	1,979	100%	NIL	NIL	12	1%
Total	**3,102**	**3,058**	**99%**	**3,102**	**100%**	**NIL**	**NIL**	**NIL**	**NIL**	**12**	**0%**
Other than Permanent workers											
Male	2,711	317	12%	2,304	85%	NIL	NIL	0	0	13	0%
Female	512	5	1%	64	13%	64	13%	NIL	NIL	61	12%
Total	**3,223**	**322**	**10%**	**2,368**	**73%**	**NIL**	**NIL**	**NIL**	**NIL**	**74**	**2%**

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

2. Details of retirement benefits for the current and previous financial year

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100% of the permanent employees are covered under Provident Fund	100% of the permanent employees are covered under Provident Fund	Yes	100% of the permanent employees are covered under Provident Fund	100% of the permanent employees are covered under Provident Fund	Yes
Gratuity	100% of the permanent employees are covered under Gratuity	100% of the permanent employees are covered under Gratuity	Yes	100% of the permanent employees are covered under Gratuity	100% of the permanent employees are covered under Gratuity	Yes
ESI*	61%	94%	Yes	15%	81%	Yes

Only Yarn and CPD location provided ESI benefits to the employees and workers.

3. Accessibility of workplaces

Are the premises/offices accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Ramps are accessible at all of our locations to make it easier for persons with disabilities to move around. Most of our offices have elevators and accessible infrastructure. Our Ahmedabad office, on the other hand, does not match the standards of the Rights of Persons with Disabilities Act, 2016, but we are working on making it more accessible to people with efferently able.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes.

Our organisation has implemented a non-discrimination policy in compliance with the regulations of the Rights of People with Disabilities Act of 2016. We are dedicated to being an equal opportunity employer that provides a friendly and non-discriminatory environment for all of our employees. All employees have access to our non-discrimination policy, which is published on our intranet.

5. Return to work and retention rates of permanent employees that took parental leave.

Gender	Permanent employee		Permanent workers	
	Return to work	Retention rate	Return to work	Retention rate
Male	0	0	0	0
Female	0	0	0	0
Total	**0**	**0**	**0**	**0**

6. Is there a mechanism available to receive and redress grievances for the Permanent and Non-permanent employees' categories of employees? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes. We have always valued open and transparent communication. Workers and Employees are urged to use trade unions to express their problems and concerns to their business leaders, human resources, or members of senior management.
Permanent Employees	Yes. We have a Grievance Redressal Mechanism in place where in the grievances are received and redressed.
Other than Permanent Employees	Yes

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)
Total Permanent Employees						
Male	735	0	0%	715	0	0%
Female	28	0	0%	2	0	0%
Total	**763**	**0**	**0%**	**744**	**0**	**0%**
Total Permanent Workers						
Male	3,102	713	23%	2,940	1,037	35%
Female	3,223	81	3%	3,199	180	6%
Total	**6,325**	**794**	**13%**	**6,139**	**1,217**	**20%**

**At Soda Ash Division, 88% of permanent workmen are part of associations/trade unions. The contractual labour or 'other than permanent' workmen are not part of any union.*

At Yarn Division, 15% of permanent workmen are part of associations/trade unions. The contractual labour or 'other than permanent' workmen are not part of any union.

At CPD Division, 100% of permanent and other than permanent workmen are part of associations/trade unions

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	700	140	20%	399	57%	683	293	43%	447	65%
Female	63	7	11%	31	49%	61	0	0%	27	44%
Total	**763**	**147**	**19%**	**430**	**56%**	**744**	**293**	**40%**	**474**	**63%**
Workers										
Male	3,834	274	7%	458	12%	3,941	3,100	79%	214	5%
Female	2,491	1,178	47%	367	15%	2,198	649	30%	2	0%
Total	**6,325**	**1,452**	**23%**	**825**	**13%**	**6,139**	**3,749**	**61%**	**216**	**4%**

9. Details of performance and career development reviews of employees and workers:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Total Permanent Employees						
Male	674	629	93%	656	460	70%
Female	61	46	75%	59	23	39%
Total	**735**	**675**	**92%**	**715**	**483**	**68%**
Total Permanent Workers						
Male	1,123	378	34%	1,235	597	48%
Female	1,979	8	0%	1,705	15	1%
Total	**3,102**	**386**	**12%**	**2,940**	**612**	**21%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such a system?

Yes, the organization has implemented an occupational health and safety management system ISO 45001:2018 certified that considers health and safety as critical aspects of progress. The system aims to eliminate workplace injuries and occupational hazards for employees and contractors. The organization has made efforts to strengthen its safety management system based on the globally recognized ISO 45001:2018 standard. This comprehensive approach includes health and safety policies, systems, standards, and records that are integrated into business processes. To ensure an effective OHS management system, the organization has taken various steps.

1. **Management leadership and commitment:** The organization's Senior Management demonstrates leadership and commitment by providing a clear vision, establishing policies, setting goals, and allocating resources to guide and support the implementation of OHS management programs and systems.

2. **Safe work procedures and written instructions:** Safe work procedures and practices are in place to ensure that all employees at GHCL understand their responsibilities and perform their duties effectively.

3. **Health and safety training and instruction:** The organization ensures that all employees, from senior management to frontline workers, comprehend their responsibilities regarding the implementation and maintenance of a healthy and secure workplace.

4. **Identifying hazards and managing risk:** The organization has implemented systems to manage the risks in the workplace, which involves identifying, evaluating, and controlling potential risks and hazards to guarantee the safety of all employees.

5. **Investigation of incidents:** The organization conducts prompt incident investigations to identify the root causes of unsafe conditions, and the incident investigation team, along with management, determines methods and ways to prevent similar incidents from happening again in the future. The organization ensures that all employees comply with the requirements for incident investigation documentation and reporting like specified under occupational health and safety regulations.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Our organization has a comprehensive Safety Management System in place to improve Occupational Health and Safety (OHS). We conduct regular hazard identification and risk assessments to minimize potential hazards and have established procedures for daily record-keeping and reporting to ensure compliance with our HSE policy. We have maintained a WhatsApp group to report and act on identified near misses, unsafe acts, and unsafe conditions that will be corrected within 21 hours or a maximum of 7 days. We have made it mandatory for employees to wear safety belts when working at heights or with machines, and work permits are issued by authorized personnel to minimize risks for hazardous job actions. Risk Assessment Process of each departmental activity with Identifying, Evaluation, and Control Measures for both routine and non-routine activities and are documented and updated as and when required.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks (Yes/No)

We promote a culture of reporting work-related hazards to the shift in charge on the shop floor. As we have a small unit, the production manager is readily available on the shop floor to address any safety-related incidents.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services (Yes/No)

All employees and workers in our company are protected by the company's personal accident policy.

11. Details of safety-related incidents

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.60	0.30
	Workers	0.67	1.28
Total recordable work-related injuries	Employees	7	1.81
	Workers	2.08	3.4
No. of fatalities (safety incident)	Employees	0	0
	Workers	1	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**Upon recalculation, we have corrected Total recordable work-related injuries (workers) to 3.4 and Total recordable work-related injuries (employees) to 1.81*

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

12. Describe the measures taken by the entity to ensure a safe and healthy workplace

At GHCL, we consider the safety of our employees, visitors, and the public to be a top priority. We believe that a safe and healthy workplace is not only a basic human right, but also essential for our success as a company. To ensure the safety and well-being of our employees, we have implemented industry-leading safety standards and various measures. As part of our Sustainability Vision 2023, we strive to achieve "Zero Harm" by aiming for zero reportable injuries across all our operations.

To achieve our goal of ensuring zero harm in the workplace, we have implemented a range of safety measures. These include providing fire safety training and systems, as well as facilities such as creches, play areas, relax rooms, and yoga rooms. We also have 24/7 security and well-equipped washrooms.

Additionally, we have several initiatives in place to promote safety, including the Zero Harm Goal Projects, HSE Stewardship Program, HSE Scorecard system, Contractor Safety Performance Evaluation, Zonal Safety Committees, and Employee Participation in Reporting and CAPA Closures. We also track and measure safety program records and conduct safety awareness sessions through safety trainings, toolbox talks, the National Safety Week Program, monthly safety champion programs.

Furthermore, we strive to make our workplace accessible to differently abled employees by providing them with parking spaces, widened doorways, and upgraded lifts. We are committed to ensuring that our supply chain partners prioritize the health and safety of their employees and contract workers. Through our sustainable supply chain initiatives, we collaborate with our partners to minimize health and safety risks across our value chain.

13. Number of complaints on the following made by employees:

	FY 2022-23		FY 2021-22	
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Working conditions	NIL	NIL	NIL	NIL
Health and safety	NIL	NIL	NIL	NIL

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% of our plants and offices were assessed internally for compliance to human rights and safety practices.
Forced/involuntary labour	
Health and safety practices	
Sexual harassment	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

At GHCL, we have implemented a robust approach to identifying, understanding, controlling, and managing risks associated with workplace hazards such as man-machine interaction, process safety, and fire hazards. We regularly identify areas for improvement and take corrective action to prevent their recurrence, with the goal of creating a safe working environment and reducing manual interventions.

We provide frequent training programs on standard safety measures, and best practices are communicated to all plant locations. Employee participation in incident reporting, safety observations, and near-miss reporting is a top priority for us. We present the corrective steps taken during incident investigations at quarterly meetings and ensure their effective implementation through appropriate actions.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of?

	(Y/N)
Employees	Yes, all employees and workers of GHCL are covered under Group Accident Policy. In addition, benefits like Mediclaim Policy and Group term insurance are also provided to employees.
Workers	Yes, all employees and workers of GHCL are covered under Group Accident Policy. In addition, benefits like Mediclaim Policy and Group term insurance are also provided to employees.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The administration department at our company is responsible for overseeing the contractual employees and ensuring that the value chain partners are deducting and depositing the necessary statutory dues each month. We have a reliable system in place, including a compliance tracker tool, that effectively manages and reports on the value chain partners' statutory dues. The administration department prioritizes the deduction and deposit of statutory dues, including PF and Gratuity, each month to maintain compliance with regulations.

3. Provide the number of employees having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	NIL	NIL	NIL	NIL
Workers	01	NIL	NIL	NIL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes, we offer support programs to assist our retired employees in their transition, and we frequently hire them as consultants on a short-term, as-needed basis if they express interest.

5. Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Approximately 30% of value chain partners have been assessed
Working Conditions	
Health & Safety	
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Other	

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

6. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   At the core of our business success are our people, and we prioritize their health and safety. Over last years, we focused on capacity building for our civil contractors by providing guidance on safety standards, including the importance of wearing safety belts. Moreover, workshops were conducted by individual team members to address injuries that occurred during work. Through these sessions, we identified the root cause of the injuries and implemented corrective measures to establish a more comprehensive safety system.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATOR

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   At our company, we recognize the significance of stakeholders in conducting our business in a responsible manner, ensuring a balance between our economic, social, and environmental objectives. Our governance policies are guided by the principle of inclusive growth, promoting transparency, responsiveness, and accountability in all our business operations. To engage with our stakeholders, we analyze our value chain and identify those who can be affected by our business and those who can impact our growth prospects. Our employees are vital internal stakeholders, and we prioritize their welfare, wellness, health, and work environment. Our external stakeholders include customers, investors, government, regulatory bodies, knowledge partners, and associations, among others. We manage these stakeholders through a stakeholder matrix that outlines how each one is engaged, the frequency of engagement, and the communication channels. We are committed to providing high-quality products, safe operations, and sustainable social, environmental, and health management practices across our business value chain.

2. **List stakeholder groups identified as key for your company as described in Section B, Q. 9, and the frequency of engagement with each stakeholder group.**

Key Stakeholders	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half Yearly/ Quarterly / Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	• Annual General Meeting • Quarterly earning calls and presentation • Investor conferences • Press releases and newsletters • Regular disclosures to stock Exchange • Updates on website of the Company	Quarterly and event based	• Establishing long communication channel with our investor • Providing updates in our key strategic decision and also updates our annual performances • Taking feedback for improving our services

Key Stakeholders	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half Yearly/ Quarterly / Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	• Suppliers / Vendors meet • Suppliers' feedback and periodic site visits • VENDX portal	Monthly and need-based	• Payment terms • Growth of suppliers • Fair and transparent dealing • Loading/ unloading infrastructure • Hygiene and sanitation infrastructure • Safety system and performance
Employees	No	• MD Speaks Town Hall Meeting Shop floor meeting • GHCL TEA (Think, Experiment and Adopt) • MILAP (Medium for interactive, Lateral, and Actionable Partnership) • DISHA meeting • Engagement survey • Monthly and quarterly publications and newsletter	Quarterly and need-based	• Providing updates on our quarterly financial performance • Taking feedback for system improvement • Exploring new ideas for business opportunity • Develop a culture of learning organization • Resolving grievances if any
Community	No	• Community meetings and visits • Participatory rural appraisals including focus group discussion, awareness camps, exposure, and training visits for beneficiaries • Interaction with local bodies	Ongoing	• Livelihood support • Hygiene and sanitation facilities • Healthcare facilities • Education • Local employment • Infrastructure development • Air and water pollution • Resource optimization
Customers	No	• Customer satisfaction surveys • Direct customer Relationship management satisfaction initiatives • Regular customer / distributor notes	Ongoing	• Product quality • Delivery • Customers connect • Credit period and transparent payment terms • Packaging • Health and safety aspects • Innovation

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   We believe in a consultative approach that involves all stakeholders to ensure value creation. We regularly report stakeholder concerns, both explicit and perceived, to the executive committee for consideration. We also share the Company's policies and actions as input for the stakeholders. These concerns are viewed as both risks and opportunities for the Company, and we identify strategies to mitigate the risks and capitalize on the opportunities. As part of our commitment to ESG matters, we plan to establish a high-level committee to oversee all ESG-related issues. The CSR Committee will develop and recommend an annual action plan to the Board in alignment with our CSR policy.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, we believe in the importance of stakeholder consultation to identify and manage environmental and social issues. We engage with our stakeholders through various means, such as meetings, consultation sessions, and digital communication, to gain insights into economic, environmental, and societal issues. Regular engagement with both internal and external stakeholders increases transparency, responsiveness, compliance, organizational learning, quality management, accountability, and sustainability. We have identified five key stakeholder groups with high interest and influence over our business. Feedback from these engagements helps us meet their needs and expectations and create value for them. Our stakeholder engagement involves identifying key environmental, social, and governance concerns through various engagement modes.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   GHCL has identified and supported vulnerable and marginalized stakeholders through its CSR programs. These initiatives focus on the upliftment of communities in areas such as animal husbandry, agriculture, healthcare, and education. To identify these stakeholder groups, GHCL used various methods including desktop research, targeted group discussions, and social need assessments. GHCL engages with these stakeholders through its major channels such as communities benefiting from its CSR interventions. The company frequently assesses its needs and measures the impact of its interventions. In addition, GHCL has provided crucial Covid-19 assistance to its most vulnerable stakeholders, including communities and farmers. As a responsible corporate citizen, GHCL regularly connects with marginalized and vulnerable elements of society.

PRINCIPLE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

   We recognize our fundamental responsibilities in respecting and protecting human rights and are committed to ensure a diverse, inclusive and equitable work environment for all. Our approach towards maintaining a decent work environment and upholding the human rights of every individual involves strengthening our monitoring systems and systematic implementation of policies and procedures. Pursuant to our objectives for zero human rights incidents, we aim to make our employees conversant with the human rights principles and empower them to bring to our attention any acts of violation at our workplace through training. We plan to include human rights training as part of our annual training calendar for the upcoming reporting period to enable this process.

Category	FY 2022-23			FY 2021-22		
	Total	No.	%	Total	No.	%
Employees						
Permanent	735	735	100%	715	715	100%
Other than permanent	28	28	100%	29	29	100%
Total	**763**	**763**	**100%**	**744**	**744**	**100%**
Workers						
Permanent	3,102	0	0%	2,940	181	6%
Other than permanent	3,223	0	0%	3,199	0	0%
Total	**6,325**	**0**	**0%**	**6,139**	**181**	**3%**

**All our employees have signed the Code of Conduct which highlights the salient features of our human rights policies.*

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	674	0	0	674	100%	656	0	0	656	100%
Female	61	0	0	61	100%	59	0	0	59	100%
Other than Permanent										
Male	26	0	0	26	100%	27	0	0%	27	100%
Female	2	0	0	2	100%	2	0	0%	2	100%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent										
Male	1,123	0	0%	1,123	100%	1,235	0	0%	1,235	100%
Female	1,979	0	0%	1,979	100%	1,705	0	0%	1,704	100%
Other than Permanent										
Male	2,711	32	1%	2,679	99%	2,706	1,858	69%	848	31%
Female	512	4	1%	508	99%	493	67	14%	426	86%

3. Details of remuneration/salary/wages in the following format:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category in ₹	Number	Median remuneration/ salary/wages of respective category in ₹
Board of Directors (BoD)	9	97,20,000	1	52,60,000
Key Managerial Personnel	3	8,87,33,928	00	Not Applicable
Employees other than BoD and KMP	670	6,85,466	61	3,50,000
Workers	1,123	2,24,415	1,979	1,21,720

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impact or issues caused or contributed to by the business? (Yes/No)

Yes, we have set up a committee for grievance redressal and a POSH committee to help address any human rights-related problems or issues that may arise during our operations. Our employees are encouraged to report any incidents of harassment, victimization, bullying, or discrimination without fear of retribution or mistreatment. The committee will then take appropriate action to formally investigate and resolve the issue to the satisfaction of all parties involved.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

GHCL is committed to upholding human rights and has developed a policy to ensure compliance. Our adherence to this policy is of the utmost importance to us. We have established two committees, the POSH (Prevention of Sexual Harassment) Committee, and the Grievance Redressal Committee, to address human rights-related issues that may arise.

The POSH Committee is responsible for identifying and preventing sexual harassment in the workplace. We have implemented a policy in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act that applies to all employees and workers in GHCL.

The Grievance Redressal Committee has successfully implemented an Executive Grievance Redressal Policy through our GHCL Employee Management System (GEMS) platform. Going forward, we plan to digitize the entire policy. This policy ensures that grievances are handled in accordance with established procedures. The committee operates on two levels, and if the response from the first level is not satisfactory, the issue can be escalated to the second level with a proper explanation. We are committed to resolving issues and ensuring that a final response is provided to the complainant within 30 days.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23		FY 2021-22	
	Filed during the year	Pending resolution at the end of the year	Filed during the year	Pending resolution at the end of the year
Sexual Harassment	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL
Child labour	NIL	NIL	NIL	NIL
Forced labour /Involuntary labour	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL
Other human rights related issues	NIL	NIL	NIL	NIL

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

GHCL provides equal opportunities for all individuals, and we strongly oppose any discrimination or harassment based on characteristics such as race, sex, nationality, ethnicity, origin, religion, age, disability, or sexual orientation. We have thus established policies on non-discrimination, prevention of sexual harassment (POSH), whistleblowing, and grievance redressal to ensure that our employees are aware of and adhere to our commitment.

Our Grievance Redressal Mechanism is available through the GHCL Employee Management System (GEMS), which is accessible to all employees for reporting grievances at any time. In addition, we conduct regular workshops, group meetings, online training modules, and awareness programs to sensitize our employees to the prevention of sexual harassment in the workplace.

We are committed to maintaining a work environment that is free from discrimination and harassment, and we strive to ensure that all employees feel valued, respected, and supported.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Our company has a rigorous and strict policy in place that mandates adherence to human rights standards and issues in all contracts with external parties. We have also implemented internal controls procedures to ensure compliance with these standards. Furthermore, we regularly monitor our contracts to ensure that they comply with our policies. We are currently in the process of developing a monitoring mechanism to ensure that our business partners are also complying with the human rights standards.

9. Assessments for the year

	% of your plant and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% of our plants and offices were assessed internally for compliance to human rights and safety practices.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

We undertake appropriate measures and corrective actions as per prescribed law. We also continuously monitor these aspects and keep checks and balances in place.

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

Our company has updated our grievance redressal system by establishing three new committees: the grievances redressal committee, the safety committee, and the VISAKA committee. In addition, we regularly engage with our value chain partners through activities such as awareness seminars and policy assessments to ensure compliance with human rights policies on a regular basis. We have also created and devised a specific action plan to address any potential non-compliance with our human rights policies.

2. Details of the scope and coverage of any human rights due diligence conducted.

At GHCL, we respect human rights, and compliance with the human rights policy is of utmost importance at GHCL and the policy is embedded in our Company's Code of Conduct. Going forward, we intend to do human rights due diligence on both our operations and our partners.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

GHCL actively encourages an inclusive workplace for people of various cultures and backgrounds. We endeavor to provide an inclusive environment that takes into consideration our workforce's diversity.

Our various locations have ramps for easy movement of differently-abled people. Most of our offices include elevators and infrastructure for people with disabilities.

Our Ahmedabad office, however, does not meet the requirements of the Rights of Persons with Disabilities Act, 2016, but we are working on making it more accessible to people with disabilities.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	Approximately 30% of value chain partners have been assessed
Discrimination at workplace	
Child labour	
Forced labour/Involuntary labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

We have mechanisms in place to access risks from our value chain partners. Currently, 30% of our value chain partners have been assessed.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity in the following format:

1. Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	4,89,160 GJ	4,28,550 GJ
Total fuel consumption (B)	1,19,11,621 GJ	1,20,08,042 GJ
Energy consumption through other sources (C)	NIL	NIL
Total energy consumption (A+B+C)	**1,24,00,781 GJ**	**1,24,36,592 GJ**
Energy intensity per rupee of turnover (Total energy consumption/ (per rupee of turno-ver)	0.0003	0.0003
Energy intensity (optional) – the relevant metric may be selected by the entity (GJ/TCS)	9.71	10.28

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assurance has been carried out by EY Associates LLP on the non-financial information in the above table.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, we have not identified any sites/facilities as designated consumers under the PAT scheme of the Government of India.

3. Provide details of the following disclosures related to water.

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	21,42,498 kL	23,31,091 kL
(ii) Groundwater	2,64,628 kL	3,96,791 kL
(iii) Third party water	4,624 kL	4,106 kL
(iv) Seawater/ desalinated water	10,89,04,268 kL	12,38,88,835 kL
(v) Others	NIL	NIL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**11,13,16,018 kL**	**12,66,20,823 kL**
Total volume of water consumption (in kilolitres)	25,15,873 kL	26,65,760 kL*
Water intensity per rupee of turnover (Water consumed / turnover)	0.00005	0.00007
Water intensity (optional) – the rele-vant metric may be selected by the entity (KL/TCS)	1.97	2.20

**At our Soda Ash Division, seawater is drawn and used for cooling purposes and then discharged back into the sea. For this reason, it is not accounted as water consumed.*

Yes, independent assurance has been carried out by EY Associates LLP on the non-financial information in the above table.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

At present, none of our facility is Zero Liquid Discharge. We have installed wastewater purification systems at all our manufacturing locations and ensure that the quality of wastewater generated is within the permissible limits as prescribed by CPCB or the SPCBs. We fully understand the impacts of untreated wastewater on the environment and have thus, taken measures to minimize its impact on our surroundings. We have been consistently working on limiting our raw water withdrawal and have re-utilised treated wastewater for humidification and the development of green-belt areas.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

5. Please provide details of air emissions (other than GHG emissions) by the entity

Parameter	Please specify unit	FY 2022-23		FY 2021-22	
		Soda Ash	Yarn	Soda Ash	Yarn
NO_x	ug/Nm³	15 μg/Nm³	73 μg/Nm³	16 μg/Nm³	110 mg/Nm³
SO_x	ug/Nm³	10 μg/Nm³	55 μg/Nm³	11 μg/Nm³	17 mg/Nm³
Particulate matter (PM)	ug/Nm³	32 μg/Nm³	126 μg/Nm³	38 μg/Nm³	75 mg/Nm³

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions	Metric tonnes of CO_2 equivalent	12,39,648 tCO_2e	11,62,150 tCO_2e
Total Scope 2 emissions	Metric tonnes of CO_2 equivalent	33,071 tCO_2e	59,750 tCO_2e
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO_2 equivalent/ INR	0.0000028	0.0000016
Total Scope 1 and Scope 2 emission intensity	Metric tonnes of CO_2 equivalent / MT of production	1.00 tCO_2/MTSA	1.01 tCO_2/MTSA

Yes, independent assurance has been carried out by EY Associates LLP on the non-financial information in the above table and by S. R. Batliboi & Co. LLP on the financial information

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, we are equally conscious of our carbon footprint and have taken steps to minimize CO_2 emissions by implementing cutting-edge technology, enhancing the efficiency of existing equipment, and installing energy-efficient lighting systems throughout all our plants and sites. We also hold frequent awareness training to encourage our employees across all business units to adopt energy-saving techniques.

To meet our Sustainability Vision 2023, we have been steadily increasing our renewable energy portfolio, using a combination of wind and solar power to provide a portion of our energy needs while lowering our carbon emissions. Our Consumer Products Division is one of our business segments, and solar energy meets a substantial portion of the energy requirement in salt pans. Our manufacturing processes are energy intensive and require essential amounts of natural resources. The continuous expansion of our businesses has also resulted in huge amounts of GHG emissions. Even as we continue to increase our production footprint, we continually monitor and manage emissions to reduce our carbon footprint. With a strong global commitment to limit global warming in accordance with the Paris Agreement, we understand the urgency and challenge of addressing the menace of climate change and have put in place an internal carbon price for relevant business operations. This method of pricing will aid in decarbonization by providing financial incentives to switch to low-carbon alternatives.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Plastic waste (A)	125 MT	110 MT
E-waste (B)	4.99 MT	NIL
Bio-medical waste (C)	0.07 MT	0.07 MT
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	3.18 MT	0.69 MT
Radioactive waste (F)	NIL	NIL
Other Hazardous waste. Please specify, if any. (G)	1.99 MT	2.04 MT

Parameter	FY 2022-23	FY 2021-22
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	1,42,020 MT	1,23,681 MT
Total (A+B + C + D + E + F + G + H)	**1,42,147 MT**	**1,23,790 MT**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycle	2,228	2,677 *
(ii) Re-used	NIL	NIL
(iii) Other recovery operations	NIL	NIL
Total	**2228**	**2677**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
(i) Incineration	NIL	NIL
(ii) Landfilling	NIL	NIL
(iii) Other disposal operations	NIL	NIL
Total	NIL	NIL

**In FY 2021-22, recycle data was entered incorrectly as 40,317 MT instead of 2,677 MT. Upon recalculation, we have now corrected the data.*

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the audit report on financial statements has been provided by independent auditors S. R. Batliboi & Co. LLP and assurance on non-financial statements in Integrated Annual Report by Ernst & Young Associates LLP.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Considering being a sector that utilizes a diverse range of resources, we endeavor to integrate measures for material efficiency into our operational procedures to optimize their utilization of the use of all raw materials while generating little waste. This strategy has ensured the proper and efficient use of by-products while also increasing our material efficiency rate. We envision the concept of creating income from trash at GHCL. Hazardous and non-hazardous wastes generated by our operations are efficiently disposed off to minimize environmental impacts.

Our environmental strategy, policies, waste segregation and treatment techniques, and waste disposal procedures all follow strict environmental regulatory criteria.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1.	CRZ clearance obtained for Soda Ash division	Soda Ash Manufacturing	Yes

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not applicable.

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances.

Yes, GHCL has been compliant with the applicable environment laws and regulations in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and Rules thereunder. We adhere to the mechanism of State Pollution Control Board on controlling pollution by optimizing our production by improving technologies. We have obtained Consent to Establish and Consent to Operate as per Water Air, Air Act, EPA etc. The CTO is renewed on periodic basis.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

LEADERSHIP INDICATOR

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	3,03,862 GJ	1,75,841 GJ
Total fuel consumption (B)	NIL	NIL
Energy consumption through other sources (C)	NIL	NIL
Total energy consumed from renewable sources (A+B+C)	**3,03,862 GJ**	**1,75,841 GJ**
From non-renewable sources		
Total electricity consumption (D)	1,85,298 GJ	2,52,710 GJ
Total fuel consumption (E)	1,19,11,621 GJ	1,20,08,042 GJ
Energy consumption through other sources (F)	NIL	NIL
Total energy consumed from non-renewable sources (D+E+F))	**1,20,96,919 GJ**	**1,22,60,752 GJ**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assurance has been carried out by EY Associates LLP on the non-financial information in the above table

2. **Provide the following details related to water discharged:**

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kL)		
(i) To Surface water		
• No treatment	NIL	NIL
• With treatment – please specify level of treatment	NIL	NIL
(ii) To Groundwater		
• No treatment	NIL	NIL
• With treatment – please specify level of treatment	NIL	NIL
(iii) To Seawater		
• No treatment	10,89,04,268 kL	11,90,19,433 kL
• With treatment – please specify level of treatment	NIL	NIL
(IV) Sent to third parties		
• No treatment	NIL	NIL
• With treatment – please specify level of treatment	NIL	NIL
(v) Others		
• No treatment	NIL	NIL
• With treatment – please specify level of treatment	NIL	NIL
Total water discharged (in kilolitres)	**10,89,04,268 kL**	**11,90,19,433 kL**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assurance has been carried out by EY Associates LLP on the non-financial information in the above table

3. **Water withdrawal, consumption, and discharge in areas of water stress (in kL):**

For each facility / plant located in areas of water stress, provide the following information:

i. **Name of the area:** All the plants of GHCL are located in water stress areas

ii. **Nature of operations:** Major operations include soda ash and yarn production

iii. **Water withdrawal, consumption, and discharge in the following format:**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source		
(i) To Surface water	21,42,498 kL	23,31,091 kL
(ii) To Groundwater	2,64,628 kL	3,73,111 kL
(iii) Third party water	4,624 kL	4,106 kL
(iv) Seawater/ desalinated water	10,89,04,268 kL	12,38,88,835 kL
(v) Others	NIL	NIL
Total volume of water withdrawal	**11,13,16,018 kL**	**12,65,97,143 kL**
Total volume of water consumption	**25,15,873 kL**	**26,65,760 kL**
Water intensity per rupee of turnover (Water consumed / turnover)	0.00005	0.00007
Water intensity (optional) – the relevant metric may be selected by the entity	1.97	2.20
Water discharge by destination and level of treatment		
(i) Into Surface water		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

Parameter	FY 2022-23	FY 2021-22
(ii) Into Ground water		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(iii)Into Seawater		
- No treatment	104,690,915 kL	119,019,433 kL
- With treatment – please specify level of treatment	NIL	NIL
(iv) Sent to third parties		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
(v) Others		
- No treatment	NIL	NIL
- With treatment – please specify level of treatment	NIL	NIL
Total water discharged (in kilolitres)	**104,690,915 kL**	**119,019,433 kL**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assurance has been carried out by EY Associates LLP on the non-financial information in the above table and by S. R. Batliboi & Co. LLP on the financial information.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions	Metric tonnes of CO_2 equivalent	8,25,669 tCO_2 (only for Soda Ash division)	7,01,589 tCO_2 (only for Soda Ash division)
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO_2 equivalent	0.000018	0.000018

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Yes, independent assurance has been carried out by EY Associates LLP on the non-financial information in the above table.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Other from CRZ, there's no Eco Sensitive Areas (NP, Sanctuary, biosphere reserve, wetlands, biodiversity hotspots) within our development footprint.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1.	Implementation of an Unmanned Weighbridge System"	The system includes RFID technology for the automatic identification of drivers and trucks and dedicated software for security personnel to enter and assign tokens for vehicles to enter the plant. The weighbridge system also includes sensors and traffic lights for the safe and efficient movement of trucks, as well as cameras for capturing images and data for record keeping.	An unmanned weighbridge system reduces costs, increases security, improves efficiency, streamlines operations, and improves GHCL's bottom line
2.	Carbonation towers	In phase one, a pilot project was undertaken to improve efficiency in two carbonation towers. Partnering with M/s Honeywell, data capturing, and model development was completed for these two towers. The pilot model validation process is currently ongoing. In phase two, data capturing, and model development will be expanded to include an additional 22 carbonation towers.	Digital twin and data analytics have the potential to revolutionize carbonation tower operations and optimize yield in the process industry.
3.	Digital mode for AFBC and CFBC Boilers	Digital mode for AFBC and CFBC Boilers are under consideration for efficiency optimization	Digital mode for AFBC and CFBC Boilers are under consideration for efficiency optimization
4.	Robotic Process Automation (RPA)	It is an efficient software tool that can automate and replicate human activities which are generally manual, rule-based, and repetitive. We are also in the process of developing software to manage the complete green field project.	RPA increases productivity by automating raw material handling and invoice processing, while software assists in all stages of greenfield projects.
5.	Tower Installation with a capacity of 250 TPD	By controlling temperature in cascade mode and modifying the flash drum design, we have been able to reduce distiller steam-specific consumption. We have reduced excess OH concentration and excess CO3 concentration in purified brine by fine-tuning lime milk through the control valve, flow meter, and cost awareness at the operation operator level	Improved efficiency was achieved in mother liquor, with reduced steam and power consumption, and decreased excess OH and CO3 concentration.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/web-link.**

   Yes, we have a business continuity and disaster management plan in place, including regular training and drills, to effectively respond to potential disasters or disruptions at our manufacturing plants and corporate offices. and training small groups of workers to execute specialised services such as rescue, firefighting, and first aid, as well as ensuring that consumers have access to food and water. Our business continuity strategy addresses sensitive corporate data, operational information, infrastructure security, and personnel safety. It gives a quick overview of GHCL, its context, risk appetite, and the requirement for a business continuity strategy. The plan is targeted to- contain the incident, minimize causalities, and prevent further injuries, migratory measures, quick and streamlined relief and rescue operation without unnecessary delay, speed up restoration of normalcy, and ensure each member of the emergency operation including the response team and employees are aware of their role in emergency. With respect to business continuity, a detailed Business Impact Analysis (BIA) has been carried out considering various conventional threat vectors and cyber threats. This BIA identifies core business functions and critical business sites that are covered under the resiliency program. Most of the business functions are supported through automation with the help of technology. Hence IT resiliency forms a critical component of the Business Contingency Plan.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

   There is no significant adverse impact to the environment, arising from the value chain of the entity. We are conscious of the environmental impacts across the value chain. Every supplier/vendor that GHCL engages with is obliged to sign and adhere to a code of conduct for suppliers. Along with quality requirements, this Code of Conduct covers the environmental, health, and safety norms that the supplier must follow.

9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   Approximately 30% of our value chain partners have been assessed for environmental impacts. We have implemented a vendor and supplier registration system that includes questionnaires regarding social and environmental parameters, such as licenses, pollution control board consent, and ISO certifications, which must be completed by new suppliers and distributors. We also use mechanisms like E&S questionnaires and vendor evaluation to monitor supplier quality. All contractors, suppliers, and vendors are required to adhere to human resources policies, including disciplinary practices, remuneration, working hours, and health, environment, and safety-related clauses in their jobs and contracts. Our procurement practices prioritize environmental, social, and good governance, and we strive to reduce our carbon footprint through our buying purchases.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. **Number of affiliations with trade and industry chambers/associations.**

   Seven

   b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Alkali Manufacturers Association of India	National
2.	Indian Chemical Council	National
3.	The All-India Glass Manufacturer's Federation	National
4.	Mills' Association	State
5.	Confederation of Indian Industry (CII)	National
6.	PHD Chambers	National
7.	Federation of Indian Chambers of Commerce and Industry (FICCI)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

   No adverse orders have been issued to GHCL from regulatory authority.

LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the entity:**

   In the current financial year, we did not advocate any public policy positions

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

   We have engaged an independent consulting agency to carry out Social Impact Assessment for our agriculture and animal husbandry project. The project is being spearheaded by GHCL's CSR team. However, if any negative social impact is identified in the social impact assessment report, we will take suitable measures to reduce it.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

   Not Applicable. No displacement of people done through our operations and acquisitions.

3. **Describe the mechanisms to receive and redress grievances of the community.**

   GHCL maintains regular communication with the communities where it operates, utilizing various channels such as in-person meetings, written correspondence, and email. These channels are also employed to inform community members of any resolutions related to grievances or complaints.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers*.**

Parameter	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	14%	34%
Sourced directly from within the district and neighbouring districts	13%	24%

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
GHCL has engaged an independent consulting agency for conducting Social Impact assessment for its agriculture and animal husbandry project initiatives taken by CSR. However, GHCL will take appropriate steps to mitigate any negative social impact identified in the social impact assessment report.	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

   Our CSR programs are not located in any aspirational districts under reporting period FY 2022-23.

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)**

   No, we do not have a preferential procurement policy.

   (b) From which marginalised / vulnerable groups do you procure?

   It is not applicable as we do not have a preferential policy

   (c) What percentage of total procurement (by value) does it constitute?

   It is not applicable as we do not have a preferential policy

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.**

   Not Applicable

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

   Not Applicable

6. **Details of beneficiaries of CSR Projects**

S.NO	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Agriculture	10,939	NIL
2	Animal husbandry	13,341	NIL
3	Fisherman livelihood	152	NIL
4	Education	7,624	NIL
5	Medical facilities	70,290	NIL
6	Water projects	5,250	NIL
7	Women empowerment	3,508	NIL

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

PRINCIPLE 9: **Businesses should engage with and provide value to their consumers in a responsible manner**

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

GHCL has established a mechanism for promptly and effectively addressing customer grievances. A dedicated team is responsible for managing customer complaints, and during the previous year, two grievances were received and resolved in the Yarn division whereas forty nine grievances were received and twenty seven were resolved in the Soda Ash division, rest of the grievances were found to be not genuine. Our goal is to provide our customers with a seamless experience, and we have developed a customer grievance redressal process to achieve this. When materials are dispatched from our premises and reach the customer's location, any complaints regarding wet bags, logistics, or material quality are analyzed by our marketing, logistics, and quality teams to identify the root cause. In the meantime, a new sales document type is created for the complaint case to track its progress.

1. ZRCL - Complaint related to logistics
2. ZRCQ – Complain related to quality

After categorizing the complaint in one of the above-mentioned categories, following steps are undertaken

1. The Marketing team begins the process by selecting the appropriate order type based on the customer's complaint. They then create a return sales order, specifying the quantity to be returned. The team includes all relevant information about the nature of the complaint, objective evidence, and other pertinent details.
2. Once the complaint details have been provided, an email containing the customer complaint form details is sent to the logistic/quality team for their approval.
3. The next step involves creating a new transaction for approval, in which the logistic/quality team enters details of corrective and preventive actions (CAPA) as well as root cause analysis (RCA).
4. In the final stage, the marketing team processes the return request and issues a credit note to the customer as a refund for the returned item(s).

The teams from different departments collaborate closely with the management to provide frequent updates on processes, policies, and customer grievances. This constructive feedback enables the implementation of improvements and ensures a reduction in the number of complaints. Whenever a customer complaint is received, it is recorded in our SAP System by every Business Manager. The relevant department such as Logistic, Bagging, or Quality conducts a Root Cause Analysis (RCA) and Corrective and Preventive Action (CAPA) to address the issue and provide feedback to the customer.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	0%

3. **Number of consumer complaints in respect of the following:**

	FY 2022-23		FY 2021-22	
	Received during the year	Pending resolution at end of year	Received during the year	Pending resolution at end of year
Data privacy	NIL	NIL	NIL	NIL
Advertising	NIL	NIL	NIL	NIL
Cyber-security	NIL	NIL	NIL	NIL
Restrictive Trade Practices	29	NIL	NIL	NIL
Unfair Trade Practices	NIL	NIL	NIL	NIL
Others	NIL	NIL	NIL	NIL

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	NIL	NIL
Forced recalls	NIL	NIL

We had received no cases of product recalls during the reporting year, further strengthening our commitment to quality control. Our products are subjected to extensive testing and quality assurance in terms of safe usage and handling. Moreover, our product material, such as manuals, brochures, and product packaging, include safe-use recommendations. We have used quality control tools throughout the value chain to decrease product recalls. We conduct a comprehensive study to assess the evidence and conduct a risk/benefit analysis of the issues. Identifying the issue's root cause whether a manufacturing problem or a design flaw is the first step.

5. **Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, we consider data privacy a critical aspect to ensure customer information safety. Our technical setup and physical asset management ensure we comply with the safekeeping of customer data. We are aware that sensitive information loss, abuse, or disclosure to third parties, such as competition and business partners, could potentially have a negative impact on our company's operations and give rise to both monetary and non-monetary legal challenges. Our IT Security policy clearly outlines our approach to data privacy which is accessible to all internal stakeholders.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

No cases were raised during the reporting year on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers, re-occurrence of instances of product recalls and hence no corrective actions were taken. However, we take utmost care on safety of products/service and prioritize to educate costumer on technical specifications, product usage and any health hazards/precautionary measures associated with products. We make sure that feedback received from our stakeholders are considered in our business processes.

LEADERSHIP INDICATORS

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

We have integrated high standards of ethical and environmental conduct in our manufacturing process and provide standard information as required by its customers. Information relating to products and services can be accessed through our corporate website. In addition, some of the few more channels/ platforms from which the information on goods can be accessed are mentioned below:

a. **Face to face communication –**

Dealer and customer meets, direct interaction with the customer or distributor, participation in various events and exhibitions, participation in various national and international forums

b. **Broadcast & media communications-**

Press release, interviews of senior officials both print and electronic

c. **Electronic communications-**

Website, E Brochures, Product films, social media

d. **Internal Communications –**

Internal newsletter, e-mailers, power point presentations, MD speaks, Town-halls, Intranet

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

GHCL is devoted to customer safety and takes steps to ensure that consumers are informed about using products safely and responsibly. The Company is actively working on creating awareness to educate customers about safe and responsible usage of products/services about safe and responsible usage of products and services. We make sure that product labelling contains all the necessary information about how to use things safely and responsibly. Furthermore, for the convenience of our customers, we publish the material safety data sheets on our website www.ghcl.co.in and give them upon request. We also create chemicals that comply with the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulations, with an emphasis on environmental and societal protection.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

In the case of any unprecedented situation or any risk of disruption or discontinuation of production or services, all the relevant stakeholders are communicated appropriately and timely.

We are in continuous touch with our relevant stakeholders to inform them of any risk of disruption/discontinuation of production or services. We continually assess any future disruption that may happen and the same is communicated to our customer base either through email or over the phone or both as per the request. We proactively take notes of any complaints received and timely respond and resolve to their complaints.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

GHCL goes beyond local legal requirements by displaying additional product information on its products. This reflects the company's commitment to transparency and providing customers with comprehensive details. Moreover, GHCL has relevant documents available to support this effort such as safety data sheets which are displayed on the website of our company with relevant information on our products. To ensure our customer expectations and feedback over product quality and other services, we have formulated a satisfaction survey mechanism where consumer needs and feedback are taken care of. We also have complaints registered at the sale and quality team to ensure all feedback and complaint are resolved thus improving our product efficiency. In addition, GHCL provides standard information as required by its customers.

5. Provide the following information relating to data breaches:

a. **Number of instances of data breaches along-with impact**

There were no instances of data breaches observed during the reporting year FY 2022-23.

b. **Percentage of data breaches involving personally identifiable information of customers**

There were no instances of data breaches observed during the reporting year FY 2022-23.

Management Discussion and Analysis

DISCLAIMER:

Readers are cautioned that this Management Discussion and Analysis contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words "anticipate", "believe", "estimate", "intend", "will", and "expected" and other similar expressions as they relate to the Company or its business are intended to identify such forward looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements and risks and opportunities could differ materially from those expressed or implied in such forward-looking statements. The important factors that would make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the domestic and overseas markets, raw material prices, changes in the Governmental regulations, labour negotiations, tax laws and other statutes, economic development within India and the countries within which the Company conducts business and incidental factors. The Company undertakes no obligation to publicly amend, modify or revise any forward-looking statements on the basis, of any subsequent developments, information or events. This report is prepared on the basis of public information available on website / report / articles etc. of various institutions. The following discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

MANAGEMENT DISCUSSION AND ANALYSIS

The management of GHCL Limited has provided an analysis of the company's division-wise performance and key business updates for the financial year ended on March 31, 2023, as well as an outlook for the future. The outlook is based on an analysis of the current economic landscape, although it may be impacted by socio-economic and political change due to future economic and related developments, both in India and internationally.

DEMERGER OF TEXTILES BUSINESS TO GHCL TEXTILES LIMITED.

With a view to enable the Company to focus on its chemicals business, the Board of Directors of the company at its meeting held on December 6, 2021 had approved the scheme of demerger of the Textiles business (spinning division) to a new company GHCL Textiles Ltd with a mirror shareholding. The objective of this demerger is to create value for all stakeholders of GHCL Ltd.

The demerger will enable the company to focus on its different businesses i.e. Chemical and Spinning separately based on their unique core competencies. The Chemical business is highly capital driven with long gestation period while the Textiles business, on the other hand, is more dynamic and volatile, which require different skill sets and capabilities. Management believes that the risk and reward associated with each of the aforesaid business verticals are different and are at different maturity stage in their life cycles. Each business verticals have a distinct attractiveness to divergent set of investors.

With a view to unlock the potential of each of the business verticals, the Spinning Division has been demerged, into GHCL Textiles Limited.

Scheme Implementation update

During the course of the financial year ended March 31, 2023 GHCL Ltd obtained all requisite approvals including:

- The Equity Shareholders and Creditors of the Company approved the resolution with requisite majority (approx 100% in favour); in August 2022.
- Hon'ble National Company Law Tribunal, Ahmedabad Bench ("Hon'ble NCLT") approval order on February 8, 2023 and which was received by company of March 14, 2023

With effect from April 1, 2023, GHCL Ltd has demerged its Textiles business to GHCL Textiles Ltd

- Shareholders of GHCL Limited has been allotted shares in GHCL Textiles Limited; one share of Rs. 2 each for every share of Rs.10 each held in GHCL Limited
- Record date for allotment of shares in GHCL Textiles Limited was set as April 8, 2023 and shares were allotted on April 12, 2023.
- All assets and liabilities of the spinning business has been taken over by GHCL Textiles Ltd.
- The reorganization has been completed now in all respects and there are two separate legal entities viz GHCL Limited (Chemical Business) and GHCL Textiles Limited (Textiles Business)
- Shares of GHCL Textiles Limited are in process of Listing at BSE and NSE

Management Discussion and Analysis

REVIEW OF ECONOMY

Overview of Global Economy

The recent reopening of economies has fueled a faster-than-anticipated recovery. Global growth is forecast to change from 3.2 percent in 2022 and 2.7 percent in 2023. However, economic activity continues to be affected by the increase in interest rates aimed at combating inflation and financial market turbulence. The rapid spread of the COVID-19 pandemic in China also impeded growth in 2022. Furthermore, Russia's military intervention in Ukraine caused extensive damage to physical infrastructure and led to the displacement of over a million people. Accordingly, the strength of this projected recovery will vary across countries, depending on the severity of the pandemic, the extent of domestic disruptions, and the effectiveness of government policy support to stabilize their economies. Global inflation is expected to decline from 8.8 percent in 2022 to 6.6 percent in 2023 and further to 4.3 percent in 2024.

For advanced economies, the International Monetary Fund (IMF) has projected the growth rate to change from 2.7 percent in 2022 to 1.2 percent in 2023 before rising to 1.4 percent in 2024. The vast majority of advanced economies are expected to witness a contraction in their growth in the next year. On the other hand, emerging market and developing economies are projected to experience modest growth, from 3.9 percent in 2022 to 4.0 percent in 2023 and 4.2 percent in 2024, with an upward revision of 0.3 percentage point for 2023 and a downward revision of 0.1 percentage point for 2024. About half of emerging market and developing economies have lower growth in 2023 than in 2022.

The priority in most economies is to strive for sustained disinflation amid the cost-of-living crisis. This will pave the way for a more stable and prosperous global economy in the years to come.

Overview of Indian Economy

India's economy has experienced a significant surge over the past nine years, elevating it from the 10th to the 5th position in the global rankings, thereby establishing its position as a major economic powerhouse on the world stage. For FY 2022-23, Standard & Poor's credit rating for India stood at BBB(-) with a stable outlook, Moody's credit rating stood at Baa3 with a stable outlook, Fitch's credit rating was reported at BBB(-) with a negative outlook. In FY22, India's nominal gross domestic product (GDP) at current prices was estimated at Rs. 232.15 trillion (US$ 3.12 trillion). Notably, India is home to over 100 unicorns valued at US$ 332.7 billion, making it the third-largest unicorn base globally. While advising India, the World Bank has emphasized the need to prioritize reducing inequality while implementing growth-oriented policies to further strengthen the economy.

India's economy primarily thrives on domestic demand, with consumption and investments accounting for 70% of economic activity. The Union Government's financial performance in the fiscal year 2022-23 has remained strong due to the revival of economic activity, an increase in gross tax revenues from direct taxes and Goods & Services Tax (GST), and realistic assumptions in the Budget. As the economy recovers from the Covid-19 pandemic, investments have been made across various sectors, boosted by government PLI schemes. The Union Government has maintained its focus on capital expenditure (Capex) during the year. The Centre has also incentivized the State Governments through interest-free loans and enhanced borrowing ceilings to prioritize their spending on Capex. India's services exports have remained resilient during the Covid-19 pandemic and amid geopolitical uncertainties driven by higher demand for digital support.

Despite external headwinds, the International Monetary Fund (IMF) has projected India's growth at 6.1% for FY 2022-23 and 6.8% for FY 2023-24 in its January 2022 update of the 'World Economic Outlook.' India's domestic demand has been a key factor contributing to its resilience. The Economic Survey 2022-23, presented by the Hon'ble Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman, forecasts India's GDP growth to remain robust in FY24, expected to be in the range of 6.0-6.8%. This growth is anticipated to create new business opportunities. The Union Budget 2023-24 builds on the vision set out in previous budgets and provides a blueprint for steering the economy towards sustained high-growth. The budget allocates increased capital spending on infrastructure and asset-building projects, which is expected to generate positive growth multipliers in the medium term. According to Mr. Piyush Goyal, Hon'ble Minister of Commerce and Industry, Consumer Affairs, Food, and Public Distribution and Textiles, Indian exports are expected to reach US$ 1 trillion by 2030. The government is prioritizing the adoption of renewable sources for energy generation and has set a target of achieving 40% of its total energy requirements from non-fossil fuel sources by 2030.

GLOBAL SODA ASH INDUSTRY

DEMAND-SUPPLY SCENARIO

Global soda ash demand has historically recorded 2.5-4.0% on-year growth basis. Soda Ash demand grew 3.1 percent during 2010-2015, while the overall demand growth has been put on hold during Covid-19, despite the impact of Covid-19 the soda ash demand reported a CAGR of 1.8 percent during 2015-22 but, if we exclude the Covid-19 period impact the demand of soda ash has registered a CAGR of 3.3 percent during the 2015-2022 period. Industry's major demand driver are growing applications with rising disposable income, increasing per capita consumption in various emerging economies and strong demand from the emerging ESG-driven applications which can enable exponential growth for soda ash such as solar glass, lithium carbonate, and flue gas treatment.

Global soda ash market is estimated to be 63.2 million metric tonnes (MMT) in 2022, with a projected CAGR of around 3.0-3.3 percent between 2022 and 2030. Every year, the end-user industry will require an additional 2-2.5 MMT of soda ash. As per estimates the ESG driven applications will be the key catalyst for demand growth and their current share of 7% in total soda ash demand is expected to reach 15% by 2030.

The world estimated distribution of soda ash by end use for 2022 and 2030 is as under:

End Use	2022	2030
Traditional Segments:		
Glass (excluding solar glass)	54%	49%
Detergent and Soap formulations	11%	10%
Chemical	15%	14%
Others (metal, mining, pulp and paper etc.)	13%	11%
ESG based applications:		
Solar Glass, Lithium Carbonate, Flue Gas Treatment	7%	15%

Current global capacity of soda ash is 71 MMT, which is expected to reach 88 MMT by 2030. Currently manufacturing capacities of soda ash are highly concentrated in China, the United States (US), Turkey, and Western Europe. Globally, ~17 MMT of additional soda ash capacity is planned by 2030 in both the soda ash categories are natural and synthetic. China will add 7.5 MMT of natural soda ash in inner part of Mongolia and US is also expected to add 5 MMT of natural Soda ash capacity in stages. A small chunk of capacity expansion is also being planned by various players in Turkey and the Indian subcontinent also. Despite the announced capacity expansions of 17 MMT till 2030 there will be shortfall of 4 MMT based on growing demand trends enabling the room for industry to set up the new soda ash facilities.

Region wise demand supply scenario

China. China is the largest producer and consumer of Soda ash in the world and its consumption stood at approximately 29 MMT in 2022, accounting for 46% of total soda ash demand in 2022. The demand for soda ash in China has been growing rapidly due to the country's growing economy, rising end use industry demand, and increasing industrialization. The demand for soda ash in the glass industry have reported a strong growth, driven by the growth of the construction and automotive industries. In addition, the increasing demand for environmentally friendly products has led to a rise in the use of soda ash as a substitute for other chemicals in the production of detergents and other cleaning products. China being the significant player in Electronic vehicles, Lithium batteries and solar glass has huge impetus for soda ash demand growth going forward and the discovery of soda ash reserves in Inner Mongolia represents will be key catalyst in serving this enhanced demand.

US. Soda ash consumption in America stood at approximately 12 MMT in 2022. The US is one of the largest exporters of soda ash globally, driven by large production capacity. The country exports around half of its domestic production to other countries, especially neighboring countries like Canada, Mexico, Brazil and Argentina. Domestically, soda ash is used in various end-use sectors like the chemical, automotive and water treatment industries. Growing applications of soda ash in the glass industry represent one of the major growth drivers. Besides this, due to the implementation of stringent regulations by the government regarding industrial water, soda ash is utilized in wastewater treatment to improve the alkalinity of lakes and control the pH of water. Countries in South America such as Argentina, Chile and Bolivia have significant reserves of lithium, which has attracted investment from companies in the lithium industry. The growing demand for lithium carbonate in recent years due to the growing demand for electric vehicles, solar energy, and consumer electronics globally. This has, in turn, led to a growing demand for soda ash, which is used as a raw material in the production of lithium carbonate.

EU. Soda Ash production is disrupted by high Natural gas prices due to Russian and Ukrainian conflicts and sanctions on Russian supplies and also imposing of carbon surcharge after December 2022. Europe's soda ash consumption was 11.3 MMT in 2022. The European soda ash market is primarily driven by a significant rise in glass production due to the increasing construction activities and growing automobile sales across the region. Countries in Western Europe, such as Belgium, France, Germany, Italy, Spain, and the United Kingdom (UK), are some of the largest net importers of soda ash. Soda ash is also used in the wastewater treatment industry due to stringent regulations by the European Union and rising awareness regarding the depletion of natural resources. Moreover, one

Management Discussion and Analysis

of the significant players in the region, is expected to increase its output of soda ash by 500,000 tonne/year, primarily across Italy, Bulgaria, and Spain by debottlenecking. Such capacity expansions are anticipated to catalyse the growth of the soda ash market in Europe.

INDIAN SODA ASH INDUSTRY

India is one of the fastest-growing economies in the world. It is expected to be the world's third-largest consumer of soda ash. Historically, the India soda ash industry reported strong on-year growth of 4.5 percent. Average growth was 3.8 percent during 2015-2022, including the pandemic period. Excluding the pandemic period impact, growth would be 5.9 percent. The projected growth during the 2022-2030 period is 6.2 percent, which is mainly driven by rising demand from end user segment such as glass, soaps and detergents, and other chemical products due to rising population, urbanisation, and higher disposable incomes, which have resulted in increased consumption of industrial products, demand for housing, transportation, consumer goods, processed foods, and beverages. Further ESG based applications such as solar glass, flue Gas treatment, and lithium carbonate batteries are also emerging as the key catalyst for domestic demand growth of soda ash.

In India, the total installed capacity of soda ash is 4.3 KT, with an estimated production of 3.6 MMT in 2022. The Indian soda ash market is highly consolidated, with four major players accounting for around 80 percent of the market and the balance demand is fed through Imports which is approximately 18 percent of the country's demand. Share of imports have grown significantly from 8 percent in 2005 due to marginal capacities added by the domestic suppliers. In 2022, the gap between domestic soda ash production and demand is around 700 KT, which is expected to widen to 2,450 KT by 2030. The expected production from domestic capacities will not be able to meet the increasing demand hence there is need of new capacities otherwise dependency on imports will surge drastically from the existing 18% to 34% by 2030.

The Indian Soda Ash market constitutes of two varieties – Light grade, which is majorly used in detergent and other chemical industries; and the Dense grade, which is majorly used in the Glass industry, with an equal share.

All the major industry players are in situated in Gujarat due to proximity and availability of the main raw materials, namely limestone and salt and also the major demand centers.

GHCL SODA ASH BUSINESS

GHCL's Soda ash manufacturing facility located at Sutrapada, Gujarat, is one of India's leading producers of Soda Ash (Anhydrous Sodium Carbonate) and has an annual production capacity of 1.2 Million MT per annum, which has been enhanced from 1.1 Million MT during the year.

GHCL caters to almost 26% of the country's annual domestic soda ash demand. We have embarked this remarkable journey from a market share of 17% in the FY 2005. GHCL shares highly successful client relationships and is the preferred supplier to all major soda ash consumers like Hindustan Unilever, P&G, Aditya Birla-Grasim, Patanjali Ayurveda, Fena, Gujarat Guardian, Borosil Renewables, Piramal Glass, ST. Gobain and Philips to name a few.

GHCL has a competitive edge in the industry due to various unique factors such as customer centricity, use of high grade raw materials and higher capacity utilization. With powerful Soda Ash B2B and B2C supply chain existence our focus has always been on increasing our customer delight through our philosophy such as 24x7 serviceability and On-Time-In-Full (OTIF) tracking.

Our fundamental objective is to embrace long-term, sustainable business agenda based on simple business techniques. As an established player in the market, we understand the expectation of our key stakeholders. Over the years, we have been diligently observing, evaluating, and strengthening our sustainability targets. We worked on the appropriate management systems for successful execution, management, and evaluation to create the required strategies in consonance with the sustainability goal.

OPPORTUNITY AND CONCERNS

Our future growth strategy is based on several initiatives. We are pursuing Greenfield expansion, debottlenecking of existing soda ash facility, doubling sodium bi-carbonate capacity to 120 K MT, improving salt yield of our salt works and augmenting backward raw material capabilities. We have initiated our digital journey and enablers such as AI and IOT will enhance our capacity and capabilities in medium to longer term.

The growth in demand of SA is clearly visible, with more markets opening up, capacity addition in glass and stable import volumes, the Soda ash markets are expected to remain healthy in 2023.

Slowness in dyes, intermediates and specialty chemical industry due to low demand from specifically from China, however same will be showing strength in 2023. The requirement of Soda Ash from these industries is good and is expected to continue throughout the year. Detergent sector is stable in current year but will show further strength due to better rural demand.

With many new announcements of capacity addition in solar glass and various government PLI schemes and expected ADD on import of Float Glass will boost the glass sector.

However, additional large capacity coming mainly in China and US may disrupt the material balance in domestic market for temporary blip with increased imports. The major capacity expansions, including those planned in US and China, are expected to be absorbed through increase in demand from greener initiatives such as lithium carbonate and solar glass industry. Further, the new capacity in China is expected to cater mainly to the Chinese domestic market's increasing demand from Lithium carbonate and Solar Glass capacities. Imports of Soda Ash to India are expected to be on higher side in 2023 due to limited capacities additions in the country against rising demand from downstream segments and emerging green usages such as solar glass and flue gas treatment.

GHCL CONSUMER PRODUCTS BUSINESS

The business has its salt harvesting works at Vedaranyam, Tamil Nadu and the refinery for its edible salt manufacturing is at Chennai, Tamil Nadu. Our industrial salt commands a premium in the caustic soda industries, and our edible salt is available in 'I FLO' and 'SAPAN' brands in the consumer retail market. A consumer behaviour trend in the use of salt in daily life was an indeed a notable trend over the past few years. Consumers are becoming increasingly health-conscious and looking for healthier options when it comes to their diet. GHCL CPD is taking utmost care and is meticulously working towards proving the end user the best quality and user experience. Salt production saw a major downfall during the last three years due to unseasonal rains. This year salt production is expected to improve to 1.30-1.40 lakhs MT.

TEXTILES INDUSTRY

The textile sector is one of the critical sectors of the Indian economy, accounting for more than 2 percent of the total GDP and more than 12 percent of the manufacturing sector gross domestic product (GDP). The sector is also the second largest provider of employment in India, after agriculture. It provides employment to an estimated 45 million people directly and to another 60 million indirectly through allied activities. Not only is the textile sector highly labour intensive, it also employs unskilled and semi-skilled labour force and is also an important source of employment for women.

During and post the pandemic period, the textile sector witnessed robust demand as consumers remained at home and focused on health and hygiene factors. As a result the prices of cotton and yarn went up. This resulted in buoyant markets, high operating utilisation and gains to the textile industry including spinning mills. This scenario continued till the mid of current fiscal year. However, the scenarios changed with fall in demand from end user segments, resulting in lower cotton and yarn prices. The Spinning mills faced the headwinds as the spread between cotton and yearn was curtained. The lower demand resulted in reduced operations and utilisation of spinning mills.

Now, the industry is poised for a turnaround during the current year. There are series of policy initiatives putting the textile industry back on growth path. This buoyant mood stems from the series of measures taken by the Union Government to revive the fortunes of the Textile Industry. These measures ranging from giving a push to technical textiles to the PLI scheme, launch of mega textile parks to signing of FTA's and MoU's with many countries. The aim of the Government was to take the Textile Industry to new heights. The above steps have long term vision for the benefits of the Textile Industry. Over and above cotton, efforts were also made to enable growth momentum in other key sectors namely silk, jute, wool, handloom and handicrafts sectors.

GHCL TEXTILES BUSINESS

(Discontinued Operations; Demerged to GHCL Textiles Limited)

As of April 1, 2023, this business has been demerged into GHCL Textiles Limited and reported as discontinued operations for the financial year ended March 31, 2023.

The GHCL spinning business' modern manufacturing facilities comprise of 2.25 Lakh ring spindles, 3320 rotors, 5760 TFO spindles, and 5 Airjet Spinning (480 positions) located in Paravai in Madurai District and at Manaparai in Tiruchirapalli District in the state of Tamil Nadu. Additionally, we have developed significant renewable assets comprising of 57 MW of wind and solar power in the state of Tamil Naidu.

Management Discussion and Analysis

The yarn spinning division of GHCL produces value-added yarn such as GIZA, SUPIMA, Australian, and CmiA Yarn for the domestic and international markets. The division manufactures specialized products against tailor-made applications through specialized yarn, thereby enhancing the brand name through customer communication. The product basket has increased manifold, penetrating new markets for different applications to maintain sustainability. GHCL prioritizes traceability as per the needs of certain customers for authenticity and origin of premium cotton types such as Egyptian and Supima cotton.

GHCL places great emphasis on establishing strategic business partnerships in both domestic and international markets, which has enabled the company to maintain a competitive edge and gradually expand. The company has expanded its customer base in existing markets and ventured into new geographic regions such as Egypt, Turkey, Peru, Sri Lanka, Portugal, South Korea and North Korea. The export of goods has sizably increased from 5% to 12%, and the company aims to continue growing in the coming years. In addition, GHCL has expanded its customer base in the domestic market and has forged strong partnerships with prominent brands and corporations, resulting in various benefits.

Operational excellence is a cornerstone of GHCL's success. The company's well-managed production process helps us to minimize waste and maximize productivity while maintaining a reliable supply chain for raw materials. Quality control is paramount, and GHCL consistently strives to deliver the best products to its customers. The company's dedication to worker safety and a clean work environment fosters a positive and productive workplace culture. Through operational performance, GHCL builds a strong reputation and drives profitability. The company has significantly reduced its receivables and stock of finished goods and highly penetrated into the value-added and premium segments. Our organization has a strong commitment to green energy, and we have made significant progress in this towards goal of 75% of total energy requirement from renewal means.

OPPORTUNITY AND CONCERNS

Our expansion of 40k spindles has positioned us well for medium-term benefits. As part of our commitment to increasing spindles capacity, we intend to expand our product basket, grow our value-added segment, realign our customer base, and achieve operational excellence. Additionally, we will continue to prioritize sustainability by deploying additional renewable energy sources to meet a minimum of 80% of our energy requirements from renewable assets. This approach underscores our belief in sustainability and innovation as the fundamental pillars of our strategy.

Despite the aforementioned growth initiatives, we acknowledge the existence of certain market challenges, including volatility in cotton prices and the availability of high-quality cotton crops. We also anticipate headwinds in downstream segments, such as home textiles, while demand from the apparels and innerwear segment continues to recover. The domestic and Exports Textile markets may remain moderate for some more time. Furthermore, we anticipate that changes in trade policies and fluctuations in foreign exchange rates may impact the prices of imported cotton, potentially affecting our competitive position in the global market.

To maintain a sustainable and resilient business, we have adopted several key principles. These principles include cash conversion, in-depth knowledge of the cotton market, supply chain resilience, innovation, and a strong focus on customer satisfaction. These principles serve as critical enablers that set us apart from our competitors and contribute to our ability to sustainably grow and prosper in the future.

COMPANY PERFORMANCE - PERFORMANCE HIGHLIGHTS – CONTINUED OPERATIONS

- Revenue for the financial year ended March 31, 2023 is Rs 4584.05 Crore as against Rs. 3060.78 Crore for the previous Financial Year ended March 31, 2022.
- Profit before financial expenses and depreciation for the financial year ended March 31, 2023 is Rs. 1520.06 Crore as compared to Rs. 737.40 Crore for the previous Financial Year ended March 31, 2022.
- PBT (Profit Before Tax) for the financial year ended March 31, 2023 is at Rs. 1442.55 Crore against Rs. 574.16 Crore for the previous Financial Year ended March 31, 2022.

DETAILS OF SIGNIFICANT CHANGES IN THE KEY FINANCIAL RATIOS & RETURN ON NET WORTH

As per the Schedule V to the Listing Regulations read with Regulation 34(3) of the Listing Regulations, details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company including explanations therefor have been provided in note no. 46(8) of the Annual Report.

INTERNAL CONTROLS AND RISK MANAGEMENT

GHCL Limited has a well-established framework of internal controls across all the businesses and in all the areas of its operations. The Company has adequate monitoring procedures and has appointed competent personnel to safeguard its assets, protect loss from unauthorized use or disposition ensuring reliably authorized, accurately recorded and transparently reported transactions. Establishment of highly efficient management information and reporting systems combined with robust corporate policies form the overall control mechanisms.

The Company conducts its business with integrity, high standards of ethical behavior and in compliance with all applicable laws and regulations that govern its business. To supplement the internal control mechanism, the Company has appointed external independent internal audit agencies to carry out concurrent internal audit at all its locations for all the business segments. Audit & Compliance Committee of the Board of Directors reviews the internal control systems on a regular basis to improve their effectiveness besides verifying statutory compliances. The Audit & Compliance Committee meets periodically to discuss findings of the internal auditors along with the remedial actions (i.e. Action Taken Report) that have been recorded or have been taken by the management to address weaknesses of the system. The statutory audits are conducted by globally recognized 'Big 4' audit agencies to ensure that the company's practices are in line with global best practices. A compliance management tool had also been adopted to ensure timely compliance with legal, financial, environmental, labour, governance, safety and other relevant regulations.

At GHCL, Risk Management and Internal Audit functions complement each other to form an elaborate risk management system that evaluates the efficacy of the framework relating to risk identification and mitigation. The Company strives to adopt a de-risking strategy in its operations while making growth investments. This involves setting up and monitoring risks on a regular basis. GHCL has Risk & Sustainability Committee in line with the requirement of Regulation 21 of the Listing Regulations. The Company applies Risk Management in a well-defined, integrated framework, which promotes awareness of risks and an understanding of the Company's risk tolerances. The management monitors the internal control system, designed to identify, assess, monitor and manage risks, associated with the Company. Each risk is provided with different number of control measures depending upon its potential impact and probability of occurrence. The risk management framework incorporates both financial and non-financial risks, as explained in the section on "Risks and Opportunities" of Integrated Report.

HUMAN CAPITAL MANAGEMENT

In GHCL we are really proud of our "HUMAN RESOURCES". We believe that our employees make a key difference to our business success. It speaks volumes as to why GHCL is certified as a "Great Place to Work" consecutively for seven times in a row. Indeed it is a proud moment that we are also certified by GPTW as TOP 50 Great places to work in Manufacturing, an additional feather on the cap. Employees are one of our five key stakeholders and needless to mention that managing our human capital has been our key strength and pride. To corroborate this, the scores of our HR CULTURE Audit by GPTW shows a significant jump this year. It is our firm belief that nurturing and strengthening the human resource capital is of utmost importance to run the organization effectively and smoothly. Therefore, the HR function takes pride in managing the human capital both with warmth and care as a hallmark of a caring organization. The Human Capital is managed in a structured manner with key focus areas being Talent Management, Organizational capability Development, Employee Engagement and harmonious Industrial Relations. This contributes to our unique corporate identity in our journey towards high performance Coaching & Mentoring culture. Good human resource management is vital for the success of any business, therefore GHCL regularly reviews & revisits its various HR policies and practices to ensure that we comply with the values of the Company and can be benchmarked against the leaders in the industry. In fact our HR Mission emphasizes on creating a value driven, high performance learning organization in an engaged and digitized environment so that we are employer of choice. As on March 31, 2023, number of people employed are 7094 including all categories. For more details on Human Capital Management at GHCL, refer to 'Human Capital' section of Integrated Report.

CSR Initiatives

GHCL Limited, since beginning, has been determined to focus on the holistic development, including the growth of society as a whole, particularly in the region of its operations. This is done with the aim to establish social license to operate and maintain a harmonious relationship with local stakeholders. For last two years, more focus has been given on expanding the CSR footprint in our operational areas along with meeting the expectations of the people. In doing so, our NGO partners, through GHCL Foundation, play a pivotal role in strategically planning and systematically executing our CSR initiatives. For more details on Corporate Social Responsibility at GHCL Limited, refer to 'Social & Relationship Capital' section of the integrated report.

Corporate Governance

For the Financial Year Ended March 31, 2023
(as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

1. Company's Philosophy on Code of Corporate Governance

The Company places great emphasis on upholding robust corporate governance practices, guided by a steadfast commitment to integrity, fairness, equity, transparency, accountability, and the promotion of core values. Recognizing that sustainable and long-term growth for all stakeholders hinges upon the prudent and effective utilization of available resources, the Company is dedicated to achieving business excellence while actively contributing to societal growth, environmental equilibrium, and overall economic progress. Throughout its existence, the Company has successfully embedded best practices of corporate operations and ethical conduct into its processes, transparently and effectively addressing governance issues. Despite the need to continuously adapt to a competitive economic landscape, the Company remains unwavering in its preservation and future continuation of deeply ingrained values intrinsic to its corporate culture.

For the Company, governance is synonymous with unwavering commitment to its beliefs, diligently enhancing stakeholder value and return on investment. This commitment is underpinned by the adoption of principles that prioritize transparency, accountability, and the unwavering adherence to value-driven growth. The Company steadfastly endeavors to meet its commitments within predefined time frames, while upholding ethical standards, ensuring transparent transactions, and establishing clear lines of accountability.

In its quest to fortify its corporate governance practices, the Company has proactively implemented an array of policies and frameworks. These include a code of conduct specifically tailored for the Board of Directors and senior management personnel, a comprehensive Board Diversity Policy, a robust Materiality Determination Policy, a well-structured Succession Plan Policy, a Whistle Blower Policy to encourage the reporting of wrongdoing, a rigorous Risk Management Policy, a policy governing the preservation of vital documents and an Archival Policy, a diligent policy for determining Material Subsidiaries, and a suite of Business Responsibility and Sustainability (BRR) Policies. Additionally, the Company has established an Investor's Grievance Redressal Policy, a Data Privacy Policy, Codes of Conduct for Suppliers, Employees, and other stakeholders, an Internal Audit Charter Policy, and other relevant policies. These policies, which reflect the Company's unwavering commitment to governance excellence, are readily accessible to the public on the Company's official website.

Moreover, the Company places great importance on adhering to fair disclosure practices for unpublished price-sensitive information. In line with the SEBI (Prohibition of Insider Trading) Regulations of 2015, the Company has developed and implemented a robust code of conduct that effectively regulates, monitors, and reports insider trading. By doing so, the Company ensures compliance with the prescribed conditions of corporate governance as stipulated in the SEBI (Listing Obligations and Disclosures Requirements) Regulations of 2015.

By embracing these rigorous principles and practices, the Company endeavours to uphold the highest standards of corporate governance. Through continuous research and a steadfast commitment to improvement, the Company remains at the forefront of governance excellence, cementing its position as a beacon of responsible and sustainable business practices in the industry.

2. Board of Directors

The Company recognizes that effective governance is not only essential for its own success but also serves as a powerful competitive advantage and a catalyst for overall economic and social advancement. The Company's "Board," entrusted with the responsibility of fostering a culture of ethical and accountable growth, is comprised of highly competent, integrated, and dedicated professionals. The Board operates independently, ensuring the integrity of its decision-making process, while actively addressing any potential conflicts of interest. It consistently emphasizes the values of transparency, accountability, probity, integrity, equity, and responsibility, setting a strong example for all employees and stakeholders.

The Board diligently fulfills its duties and obligations as prescribed by Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations of 2015, commonly known as the Listing Regulations, and other relevant laws. These responsibilities encompass a wide range of governance aspects, including but not limited to:

1. **Establishing a strong corporate culture:** The Board plays a crucial role in setting the tone and values of the Company, ensuring that a culture of integrity, accountability, and ethical conduct permeates throughout the organization.

2. **Strategic decision-making:** The Board is responsible for making informed and prudent decisions that align with the long-term goals and interests of the Company and its stakeholders. It exercises sound judgment and evaluates risks to maximize value creation.

3. **Oversight and monitoring:** The Board exercises diligent oversight to ensure that management adheres to established policies and procedures, and operates in accordance with applicable laws and regulations. It establishes robust internal control mechanisms and regularly monitors performance to mitigate risks and safeguard the Company's interests.

4. **Stakeholder engagement:** The Board recognizes the importance of engaging with various stakeholders, including shareholders, employees, customers, suppliers, and the wider community. It seeks to understand their perspectives, address their concerns, and incorporate their feedback into decision-making processes.

5. **Compliance and legal adherence:** The Board ensures that the Company operates in compliance with all applicable laws, regulations, and governance frameworks. It places a strong emphasis on upholding the highest standards of legal and regulatory compliance.

The Board's commitment to governance excellence extends beyond its regulatory obligations. It goes above and beyond to inspire a strong governance culture throughout the organization, encouraging ethical behaviour, responsible decision-making, and a commitment to long-term value creation. By adhering to these principles, the Board demonstrates its dedication to fostering sustainable growth and advancing the Company's interests in a transparent, accountable, and socially responsible manner.

2.1 Role & Responsibilities:

Role and responsibilities of Board of Directors is also extended towards strengthening of CSR activities and sustainability of the business. In addition to the above, Board is also responsible for the following:

(i) To play an oversight role with an objective to ensure that companies have systems in place to effectively manage key risks, including the potential for reputational harm and legal liability associated with adverse social and environmental impacts.

(ii) To establish and reinforce an overarching set of expectations with regard to the short- and long-term management of social and environmental risks.

(iii) To make strategies on CSR and developing framework for its implantation.

(iv) To ensure that the executive management has complied with the applicable statutory compliances related to CSR and other applicable laws.

2.2 Board's Composition:

The Composition of the Board as on March 31, 2023 is given herein below:

COMPOSITION OF THE BOARD OF DIRECTORS AS ON MARCH 31, 2023

Category	Name of Directors	No. of Directors	% of total number of Directors
Promoter Directors	Mr. Sanjay Dalmia – Non Executive Chairman Mr. Anurag Dalmia – Non Executive Vice – Chairman Mr. Neelabh Dalmia – Executive Director (Growth & Diversification Projects)*	3	30.00%
Independent Directors	Mrs. Vijaylaxmi Joshi (Ex-IAS) Dr. Manoj Vaish Justice (Retd.) Ravindra Singh Mr. Arun Kumar Jain (Ex-IRS) Dr. Lavanya Rastogi	5	50.00%

Corporate Governance

For the Financial Year Ended March 31, 2023

(as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

COMPOSITION OF THE BOARD OF DIRECTORS AS ON MARCH 31, 2023			
Category	Name of Directors	No. of Directors	% of total number of Directors
Managing Director / Executive Director	Mr. R S Jalan – Managing Director Mr. Raman Chopra – CFO & Executive Director (Finance)	2	20.00%
	TOTAL NO. OF DIRECTORS	**10**	**100%**

**After the demerger of the textiles/spinning business and based on the recommendation of the Nomination & Remuneration Committee, Mr. Neelabh Dalmia has been re-designated as Executive Director (Growth & Diversification Projects) with effect from April 29, 2023. This decision was taken to align Mr. Neelabh Dalmia's role and responsibilities with the company's strategic objectives of pursuing growth and diversification initiatives.*

The Board of GHCL Limited has achieved an optimal balance between executive and non-executive directors. The Board consists of 10 directors, with 7 of them being non-executive directors, including one woman independent director. The Chairman, who is a non-executive director, is also a promoter of the Company. This composition ensures compliance with the requirement that at least one-half of the Board should consist of independent directors, as stipulated in Regulation 17 of the Listing Regulations. GHCL Limited has successfully appointed 5 independent directors, thus meeting this requirement.

The composition of the Board reflects the Company's commitment to good governance practices. All non-executive directors, including independent directors, play a crucial role in bringing balance to the Board's decision-making processes. They provide independent judgment on matters such as strategy, performance evaluation, resource allocation, compliance with the code of conduct, and the Company's ethical standards. The non-executive directors bring their extensive business experience to the table and are regarded by the Board as independent in character and judgment. They are free from any business or other relationships that could materially interfere with their ability to exercise independent judgment.

By having a diverse and independent Board, GHCL Limited ensures that decisions are made with objectivity and in the best interests of the Company and its stakeholders. The Board benefits from the varied expertise and perspectives of its non-executive directors, contributing to effective governance and the overall success of the Company.

2.3. Board Procedure:

The Board of Directors convenes regular meetings to discuss and review strategic, operational, and financial matters. It adheres to a formal schedule and has a predefined set of reserved matters for its decision-making. These include approving interim and preliminary financial statements, budgets, the annual financial plan, significant contracts, capital investments, and strategic decisions such as business restructuring, debt management, and human resources.

To assist in its functions, the Board delegates authority to various Committees of Directors, including the Banking & Operations Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Audit & Compliance Committee, CSR Committee, and Risk & Sustainability Committee. The Board ensures that all relevant information is provided to directors before each meeting, and the Chairman ensures that all directors are properly briefed on the agenda items.

In certain emergency situations or to maintain the confidentiality of price-sensitive information, the Board may convene meetings on shorter notice while still complying with necessary statutory requirements. Compliance reports on applicable laws and the code of conduct for Board Members and Senior Management are reviewed during Board meetings.

The Board sets annual performance objectives, monitors management's actions and results, evaluates its own performance, as well as the performance of its Committees and individual directors. It also oversees the effectiveness of the Company's governance practices in enhancing stakeholder value.

The Company follows a well-established framework for Board and Committee meetings to ensure an organized and informed decision-making process. Meeting dates are fixed well in advance, considering the convenience of individual directors. Agenda and explanatory notes are circulated at least seven days before the meeting, except in cases of urgent business or when maintaining the confidentiality of transactions is necessary. Any documents not attached to the agenda are presented during the meeting with specific reference to their inclusion. Additional or supplementary agenda items are permitted only in special circumstances with the permission of the Chairman and the agreement of all independent directors.

To facilitate participation, video conferencing facilities are provided, allowing directors who are unable to attend in person to join meetings remotely. Throughout the year, some meetings were held physically, while others were conducted via video conferencing.

These robust meeting practices and procedures ensure effective decision-making, information flow, and active participation of directors, whether in person or remotely, promoting transparent and efficient governance within the Company.

2.4. Information placed before the Board

The Board of Directors is the highest governing body of the Company, representing the shareholders and entrusted with the responsibility of strategic supervision, performance oversight, and governance on behalf of stakeholders.

The Board is granted access to all relevant information necessary for effective decision-making, and the management is committed to providing such information to the Board on a timely basis. In order to make well-informed decisions, the Board has the authority to request any information from the functional management of the Company. The Board's actions are guided by the principles of Corporate Governance Philosophy, and it strives to operate in the best interests of the Company and its stakeholders.

The matters that are required to be presented to the Board of Directors include, but are not limited to, the following categories:

Strategic matters	Operational matters	Finance matters	Governance and Compliance Matters:
• Reviewing and guiding the corporate strategy;	• Annual operating plans and capital budgets;	• Quarterly/Annual consolidated and standalone results and financial statements of the Company;	• Materially important show cause, demand, prosecution notices, and penalty notices
• Corporate re-structuring activities including merger/ demerger;	• Regular business/ function updates	• Transactions that involve substantial payment towards goodwill, brand equity or intellectual property, if any	• Fatal or serious accidents, dangerous occurrences, or material effluent/ pollution problems
• Details of any acquisition, joint venture or collaboration agreement;	• Appointment and remuneration of directors, key managerial personnel and senior management;	• Any material default in financial obligations to or by the Company or substantial non-payment for goods sold by the Company;	• Corporate social responsibility-related matters
• Sale of investment, subsidiaries or assets which are material in nature.	• Significant labour problems and their proposed solutions;	• Quarterly details of foreign exchange exposures and treasury management;	• Appointment of internal auditors, secretarial auditors, and cost auditors
• Talent identification & Succession Planning	• Appointment of internal auditors, secretarial auditor and cost auditors.	• Related Party Transactions and Subsidiary funding, if any.	• Related party transactions and subsidiary funding

Corporate Governance

For the Financial Year Ended March 31, 2023

(as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

Strategic matters	Operational matters	Finance matters	Governance and Compliance Matters:
• Road map for business growth and diversification;	• Any significant development on the human resources/ industrial relations front;	• Credit Rating.	• Quarterly compliance certificate, including non-compliances of regulatory, statutory, or listing requirements
• Risk identification and its mitigation plan.		• Business Financing	• Oversight of sustainability initiatives
• Projects related to Renewable energy and Sustainability.			• Minutes of meetings, resolutions, and disclosures received from directors
			• Performance evaluation of the Board, its committees, and each director

By reviewing and discussing these matters, the Board ensures effective governance, compliance with regulations, and decision-making that aligns with the Company's strategic goals and stakeholder interests.

2.5. Post meeting follow up system

The Company has established an effective post-meeting follow-up, review, and reporting process to ensure that decisions made by the Board and its Committees are acted upon promptly. The Company Secretary plays a crucial role in communicating the Board's decisions to the respective business units and departments, ensuring their effective implementation.

During the financial year ended March 31, 2023, a total of four Board Meetings were held. These meetings took place on April 30, 2022, July 28, 2022, October 31, 2022, and January 31, 2023. The meetings were conducted either in person or through Video Conferencing (VC) or Other Audio Visual Means (OAVM). The Company adhered to the requirement of Regulation 17 of the Listing Regulations and the Companies Act 2013, which mandates that the gap between any two Board Meetings should not exceed 120 days.

It is worth noting that all directors were present at each of the Board Meetings and Annual General Meeting held during the financial year. The attendance of Directors at the Board Meetings reflects their commitment and active participation in the governance processes of the Company.

The detailed attendance of Directors at the Board Meetings and Annual General Meeting held during the financial year ended March 31, 2023, is provided below:

Sl. No.	NAME	Date of Board Meeting & Attendance				AGM Attendance (June 30, 2022)
		April 30, 2022	July 28, 2022	October 31, 2022	January 31, 2023	
1	Mr. Sanjay Dalmia	✓	✓	✓	✓	✓
2	Mr. Anurag Dalmia	✓	✓	✓	✓	✓
3	Dr. Manoj Vaish	✓	✓	✓	✓	✓
4	Mrs. Vijaylaxmi Joshi (Ex-IAS)	✓	✓	✓	✓	✓
5	Justice (Retd.) Ravindra Singh	✓	✓	✓	✓	✓
6	Mr. Arun Kumar Jain (Ex-IRS)	✓	✓	✓	✓	✓
7	Dr. Lavanya Rastogi	✓	✓	✓	✓	✓
8	Mr. R. S. Jalan	✓	✓	✓	✓	✓
9	Mr. Raman Chopra	✓	✓	✓	✓	✓
10	Mr. Neelabh Dalmia	✓	✓	✓	✓	✓

Note:

1. *Mr. Sanjay Dalmia and Mr. Neelabh Dalmia are directors retiring by rotation, and they are eligible for re-appointment. All the necessary information required under Regulation 36 (3) of the Listing Regulations has been provided under the notice of the Annual General Meeting (AGM).*

   The details regarding their qualifications, expertise, experience, and other relevant information have been included to facilitate informed decision-making by the shareholders.

The Directors of GHCL Limited adhere to regulatory requirements regarding their directorship positions and committee memberships in other public limited and equity listed companies. None of the Directors, including alternate directors, hold directorship positions in more than 10 public limited companies or act as directors in more than 7 equity listed companies. In the case of Independent Directors, they do not serve as directors in more than 7 equity listed companies, or 3 equity listed companies if they serve as Whole-time Directors or Managing Director.

Additionally, the Directors on the Board of GHCL Limited do not hold membership in more than 10 Committees or act as Chairpersons of more than 5 Committees, as specified in Regulation 26(1) of the Listing Regulations. This criterion applies across all the listed companies in which they hold directorship positions.

The necessary disclosures related to directorship positions, committee memberships, and shares held by the Directors on the Board of the Company as of March 31, 2023, have been made and are provided below:

Sl. No.	Name of the Director	Director Identification Number (DIN)	No. of Directorship in other Indian Public Limited Companies*	No. of committee positions held as Chairman in other Public Companies**	No. of Committee positions held as Member in other Public Companies**	No. of Equity Shares of GHCL Limited held by the Director
1	Mr. Sanjay Dalmia	00206992	-	-	-	-
2	Mr. Anurag Dalmia	00120710	-	-	-	120225 in Individual Account and 585124 in HUF Account
3	Dr. Manoj Vaish	01744049	2	1	1	-
4	Mrs. Vijaylaxmi Joshi	00032055	2	-	2	-
5	Justice (Retd.) Ravindra Singh	08344852	-	-	-	-
6	Mr. Arun Kumar Jain	07563704	4	2	4	-
7	Dr. Lavanya Rastogi	01744049	-	-	-	-
8	Mr. R S Jalan	00121260	1	-	1	450000
9	Mr. Raman Chopra	00954190	2	-	1	175000
10	Mr. Neelabh Dalmia	00121760	1	-	1	109650

Note:

** In accordance with the relevant conditions of Regulation 26 of the Listing Regulations, the limit on the number of directorship and chairmanship/ member of committees excludes Private Limited Companies, Foreign Companies, and Companies under Section 8 of the Companies Act, 2013. This exclusion aligns with the requirements of the regulation.*

The names of the listed companies, along with the categories of directorship, in which any of the directors mentioned above hold positions as directors, are provided under the respective Director's profile.

*** In order to determine the limit of committees, only the chairmanship/membership of the Audit Committee and the Stakeholders' Relationship Committee have been taken into consideration. This approach allows for a focused evaluation of the director's committee roles in line with regulatory requirements. The Company remains committed to adhering to corporate governance principles and maintaining transparency in its directorship positions and committee memberships.*

During the financial year ended March 31, 2023, GHCL Limited did not engage in any material transactions with its Non-Executive Directors, except for those related party transactions that are disclosed in the annual report and conducted in the ordinary course of business. The Company has obtained declarations from its Independent Directors confirming their independence and stating that they are not aware of any circumstances or situations that could impair their ability to discharge their duties with objective independent judgment and without external influence. This ensures compliance with Section 149(6) of the Companies Act, 2013, Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 16(1)(b) & 25(8) of the Listing Regulations.

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The Audit & Compliance Committee of the Board has thoroughly reviewed the financial statements of the subsidiary. Currently, the Company does not have any operating subsidiary in India, so the provisions related to appointing an Independent Director on the Board of Indian subsidiaries do not apply.

Throughout the year, the Board of Directors accepted all the recommendations of the Committees of the Board that were statutory in nature and required the Committee's recommendation for approval by the Board. This ensures compliance with clause 10(j) of schedule V of the SEBI Listing Regulations.

GHCL Limited remains committed to upholding good governance practices and fulfilling its regulatory obligations.

2.6 Independent Directors' Meeting

In compliance with the requirements of Section 149 of the Companies Act, 2013, and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of GHCL Limited hold meetings without the presence of Non-Independent Directors or any other Management Personnel, except forthe Company Secretary.

These meetings provide an opportunity for the Independent Directors to discuss various matters, including:

a. Evaluating the performance of Non-Independent Directors, the Board of Directors, and Committees as a whole.

b. Assessing the performance of the Chairman, taking into account the feedback from Executive and Non-Executive Directors.

c. Reviewing the quality, quantity, and timeliness of information flow between the Management and the Board to ensure effective performance of their duties.

During the financial year ended March 31, 2023, one meeting of the Independent Directors was held, which was attended by all the Independent Directors. Dr. Manoj Vaish, the Lead Independent Director, chaired the meeting and established the meeting's process. The Company Secretary was present to assist the Independent Directors in conducting the meeting. The attendance of Independent Directors at the meeting is provided below:

	Name of the Independent Directors				
	Dr. Manoj Vaish	Mrs. Vijaylaxmi Joshi	Justice Ravindra Singh	Mr. Arun Kumar Jain	Dr. Lavanya Rastogi
Date of the Meeting					
January 31, 2023	✔	✔	✔	✔	✔

2.7 Directors seeking Appointment/ Re-appointment

Mr. Sanjay Dalmia and Mr. Neelabh Dalmia, who are directors liable to retire by rotation, have expressed their eligibility for re-appointment at the upcoming Annual General Meeting of GHCL Limited. Their re-appointment will be subject to the approval of the shareholders.

Additionally, the re-appointment of Mr. Raman Chopra as CFO & Executive Director (Finance) of the Company was considered and approved by the Board of Directors in their meeting held on January 31, 2023. The re-appointment is for a term of five consecutive years, starting from April 1, 2023, and ending on March 31, 2028. The approval of the shareholders of the Company is required for this re-appointment.

All the relevant details of the directors seeking appointment/re-appointment, as required by Regulation 36(3) of the Listing Regulations, along with applicable provisions of the Companies Act, 2013 and relevant Secretarial Standards (SS – 2), can be found in the Notice and Corporate Governance report of the Company.

2.8. Familiarisation Programme for Independent Directors and Training of Board members

GHCL has implemented a structured practice to ensure that all new non-executive directors, including independent directors, undergo a familiarization program to acquaint themselves with the company's core values, vision and mission statement, as well as its business philosophy. The Chairman, Managing Director, Executive Directors (Finance) & CFO, Head of Sustainability, and Company Secretary, along with the functional management, provide an overview of the company's operations and familiarize the new directors with matters related to the company's values and commitments.

During the familiarization program, GHCL ensures that non-executive directors are introduced to the organization structure, services, group structure, subsidiaries, constitution, board procedures, matters reserved for the board, major risks, risk management strategy, compliance mechanism, CSR themes, and activities. This includes periodic compliance reporting under Listing Regulations, SEBI (SAST) Regulations, SEBI (Insider Trading) Regulations, and the grievance redressal mechanism. Detailed information about the familiarization program can be found on the Company's website: www.ghcl.co.in/investors/policies & code of conduct/familiarization program for Independent Directors.

GHCL facilitates separate meetings of the audit committee with the internal auditor to discuss internal audit reports and action taken reports. During these meetings, the executive directors and other members of senior management share their perspectives and leadership thoughts on relevant issues.

Continual educational requirements of the directors are also facilitated by GHCL, providing them with access to the online learning platform Skillsoft. Additionally, various business and statutory matters such as the company's performance, industry and regulatory updates, forex strategy, export and import potential, business growth prospects, and the impact of global pricing pressure on fuel, supply chain, and raw materials availability are presented as part of the board and committee agenda. Mr. Bhuwneshwar Mishra, Vice President - Sustainability & Company Secretary, regularly updates the board on the latest changes in regulatory provisions, governance, risk management, CSR, and sustainability.

Throughout the financial year, all meetings of the Board of Directors, Audit & Compliance Committee, Risks & Sustainability Committee, CSR Committee, Stakeholders Grievance Redressal Committee, and Nomination & Remuneration Committee were held in hybrid form i.e. physical and online both, and all directors/members of the committees attended these meetings.

Furthermore, GHCL has provided the online learning platform Skillsoft to all its independent directors, allowing them to continuously learn and upgrade their skills.

2.9. Key Skills, Expertise and Competencies of the Board of Directors

The Board of GHCL is structured in a manner that promotes a high degree of diversity in terms of age, education/qualifications, professional background, sector expertise, special skills, and geography. This diversity is considered crucial for the effective functioning of the Company and to bring a wide range of perspectives to the decision-making process.

Based on the recommendations of the Nomination & Remuneration Committee, the Board of Directors has identified the following core skills, expertise, and competencies that are required in the context of the Company's businesses and sectors. These skills and expertise are mapped against each of the Directors to ensure a balanced composition:

Key Skills Expertise and Competencies of the Board of Directors

Sl. No.	Skills/ Expertise/ Competencies	Particulars
1.	Leadership, Strategic Thinking, Technical skills of the Industry and General Management.	**Leadership:** Leadership is a critical competency that involves influencing and guiding others towards achieving a common goal. Effective leaders inspire and motivate their teams, make informed decisions, and take responsibility for the overall success of the organization. **Strategic Thinking:** Strategic thinking is the ability to analyze complex situations, anticipate future trends, and develop long-term plans that align with the organization's goals. It involves identifying opportunities, assessing risks, and making strategic choices to gain a competitive advantage in the marketplace. **Technical skills of the Industry:** Technical skills are specific knowledge and expertise required to perform tasks within a particular industry or field. In the case of GHCL, which is in the chemical industry with a focus on soda ash, technical skills may include knowledge of chemical processes, manufacturing operations, quality control, environmental regulations, and industry-specific technologies.

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Key Skills Expertise and Competencies of the Board of Directors		
Sl. No.	**Skills/ Expertise/ Competencies**	**Particulars**
		General Management: General management skills encompass a broad range of competencies necessary for overseeing and managing various aspects of a business. These skills include financial management, operations management, human resource management, strategic planning, and decision-making. General managers need to have a holistic understanding of the organization and its functions to effectively lead and drive overall success.
2.	Public Policy and Public Advocacy	**Public policy** This refers to a set of principles, guidelines, and actions adopted by governments or non-profit organizations to address social issues and solve problems affecting society. It involves the development and implementation of programs and initiatives aimed at achieving specific objectives and outcomes. **Policy advocacy** : This refers to the active support or promotion of a particular policy or a set of policies. It involves various activities aimed at influencing decision-makers, public opinion, and the legislative process to advance a specific policy agenda. Advocacy can take different forms, such as lobbying, litigation, public education, grassroots organizing, coalition building, and engaging with stakeholders.
3.	Governance, EHS, Sustainability, CSR and Law	**Governance:** This refers to the processes and structures through which organizations make decisions, implement policies, and ensure accountability. It encompasses the frameworks, principles, and practices that guide an organization's behaviour and how it achieves its objectives. Governance also involves providing opportunities for stakeholders to have a voice and participate in decision-making processes. **Environment (E), health (H) and safety (S):** This involves the practical aspects of protecting the environment, maintaining health, and ensuring safety in occupational settings. It encompasses measures and practices that organizations implement to prevent harm to individuals, communities, and the environment resulting from their activities.**Sustainability:** The term Sustainability refer to the outcome achieved by balancing the social, environmental and economic impacts of business. It is the process that ensures that business goals are pursued without compromising any of the three elements. **Sustainability:** The sustainability refers to the pursuit of business goals and practices that balance social, environmental, and economic considerations. It involves meeting present needs without compromising the ability of future generations to meet their own needs. Sustainable practices aim to minimize negative impacts on the environment, society, and the economy while promoting long-term viability and resilience. **CSR:** The term CSR encompasses the initiatives and actions taken by companies to contribute to the well-being of society and address social, environmental, and economic challenges. CSR activities can include projects or programs aligned with the activities specified in Schedule VII of the Indian Companies Act 2013, as well as initiatives undertaken based on the recommendations of the CSR Committee and the company's declared CSR policy.

Key Skills Expertise and Competencies of the Board of Directors		
Sl. No.	**Skills/ Expertise/ Competencies**	**Particulars**
		Law: This refers to a deep understanding and knowledge of various legal domains relevant to the company, such as corporate laws, labor laws, tax laws, constitutional laws, and general legal frameworks. It involves staying up to date with legal requirements, ensuring compliance, and providing legal advice and guidance to the organization in accordance with applicable laws and regulations.
4.	Finance & Accounts and Capital market	**Finance & Accounts:** Finance & Accounts skills refers to the proficiency in financial management, financial reporting process, budgeting, treasury operations, audit, capital allocation. **Capital Market:** Capital market consists of primary markets and secondary markets. Primary markets deal with trade of new issues of stocks and other securities, whereas secondary market deals with the exchange of existing or previously-issued securities. Another important division in the capital market is made on the basis of the nature of security traded, i.e. stock market and bond market.
5.	Information Technology, Cyber security, Data protection and Digitisation	**Information technology (IT)** is the use of computers to create, process, store, retrieve, and exchange all kinds of electronic data and information. **Cyber Security:** Cyber security is the application of technologies, processes and controls to protect systems, networks, programs, devices and data from cyber attacks. It aims to reduce the risk of cyber attacks and protect against the unauthorised exploitation of systems, networks and technologies. **Data Protection:** Data protection is the process of safeguarding important data from corruption, compromise or loss and providing the capability to restore the data to a functional state should something happen to render the data inaccessible or unusable. **Digitisation:** This is the process of converting information into a digital (i.e. computer-readable) format. Digitization is of crucial importance to data processing, storage and transmission, because it "allows information of all kinds in all formats to be carried with the same efficiency and also intermingled.

Sl. No.	Non-Executive Directors	Core Skills, expertise and competencies
1.	Mr. Sanjay Dalmia	Leadership, Strategic thinking, general management, Industry expert, public policy and public advocacy, CSR, capital market and finance & accounts.
2.	Mr. Anurag Dalmia	Leadership, Strategic thinking, general management, Industry expert, public policy and public advocacy, CSR, capital market and finance & accounts.
3.	Mrs. Vijaylaxmi Joshi	CSR, finance & accounts, Corporate governance, EHS, Sustainability, Leadership, Strategic thinking, public policy and public advocacy.
4.	Dr. Manoj Vaish	Finance, accounts and capital market, governance, data projection, digitisation, CSR, leadership, strategic thinking and public advocacy.
5.	Justice Ravindra Singh	Law, Governance, CSR, Public advocacy & public policy, financial understanding, leadership and strategic thinking, general management.
6.	Mr. Arun Kumar Jain	Taxation, accounts and finance, governance, CSR, general management, strategic thinking, public advocacy, finance and accounts, capital market and EHS
7.	Dr. Lavanya Rastogi	Information technology, cyber security, data projection and digitisation, finance & accounts, Governance, CSR, Sustainability, Strategic thinking and public policy.

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Key Skills Expertise and Competencies of the Board of Directors		
Sl. No.	**Skills/ Expertise/ Competencies**	**Particulars**
Sl. No.	**Executive Directors**	**Core Skills, expertise and competencies**
1.	Mr. R S Jalan	Leadership, Strategic thinking, industry and general management, CSR, Finance & accounts, CSR, Governance, Law, EHS, Capital Market, digitisation and data projection, public advocacy and public policy.
2.	Mr. Raman Chopra	Leadership, Strategic thinking, industry and general management, CSR, Finance & accounts, CSR, Governance, Law, EHS, Capital Market, digitisation and data projection, public advocacy and public policy.
3.	Mr. Neelabh Dalmia	CSR, EHS, Sustainability, Governance, finance & accounts, industry and general management Corporate governance, EHS, Sustainability, Leadership, Strategic thinking, public policy and public advocacy.

The mapping of skills and expertise ensures that the Board collectively possesses the necessary knowledge and capabilities to effectively address the challenges and opportunities faced by the Company in its respective industries. By having a diverse set of skills and expertise, the Board can make well-informed decisions and provide valuable insights for the Company's growth and success.

2.10. Resignation of Independent Directors

During the financial year FY 2022-23, all Independent Directors of the Company diligently completed their respective tenures and did not resign before the expiry of their terms.

Their commitment to fulfilling their responsibilities and contributing to the Company's governance remained steadfast throughout the year.

2.11. Lead Independent Director

The Board of Directors of your Company in their meeting held on July 29, 2021, had nominated Dr. Manoj Vaish, an Independent Director and also the Chairman of Audit & Compliance Committee, as a Lead Independent Director. The tenure of Lead Independent Director has been fixed for a period of 3 years period from the date of nomination or till the date of retirement, whichever is earlier.

As a Lead Independent Director, Dr. Manoj Vaish has been entrusted, inter alia, with the following roles and responsibilities:

(a) Role of Lead Independent Director:

1. To preside over meetings of Independent Directors.
2. To become facilitator for consensus building.
3. To preside over the meeting of the Board and Shareholders where Chairman and Vice Chairman are not present or are interested parties.
4. To act as a facilitator for stakeholders' voice to reach to the Board.
5. To provide guidance to the secretarial functions for ensuring and implementing good governance practices and compliance of statutory requirements.
6. To serve as spokesperson for the company if so asked by the Board and perform such other functions as may be delegated by the Board.

(b) Nomination Criteria & Tenure of LID:

1. The LID should be Independent director at the time of appointment and throughout their position.
2. This is essential to ensure LID exercise its duties efficiently and effectively and free from any vested interest.
3. The Internal appointee from among the existing independent directors, who has in-depth knowledge and understanding of the company and board dynamics that is usually gained by prior service on the board.
4. The LID must have the ability to exercise independent views as also to assume additional responsibilities.
5. LID is expected to have strong interpersonal skills to serve as an intermediary for the other directors and all stakeholders.
6. LID should be in a position to become more knowledgeable about the company, its performance, its markets and its stakeholders.
7. Nomination of LID shall be on rotation basis. The tenure of LID is fixed for a period of three years from the date of nomination or till the date of retirement, whichever is earlier.

2.12. Directors' Profile

The brief profile of the Directors of the Company in line with the requirement of Listing Regulations and the Companies Act, 2013 is given herein below:

Mr. Sanjay Dalmia

DOB - March 17, 1944
Non-executive Chairman (Promoter)

Mr. Sanjay Dalmia (DOB - March 17, 1944) stands as a esteemed figure in the Company, holding the respected position of Non-executive Chairman (Promoter). Since the Company's inception, he has been a driving force as a Non-executive Director. Widely recognized as an exceptional industrialist, Mr. Dalmia's illustrious career extends to his membership in the esteemed Rajya Sabha.

With his exceptional leadership qualities, strategic thinking ability, and profound acumen in general management, Mr. Dalmia's invaluable industry expertise has played an instrumental role in propelling the Company to unprecedented heights. Moreover, his deep involvement in public policy and unwavering advocacy has garnered widespread recognition.

Embracing the principles of corporate social responsibility (CSR), Mr. Dalmia consistently champions initiatives that have a positive impact on society. Additionally, his profound understanding of the dynamic nature of the capital market and finance & accounts positions him as a distinguished authority in these domains.

Under Mr. Dalmia's guidance, the Company has experienced remarkable growth, achieving outstanding business performance and profitability. Notably, he has successfully fostered a harmonious equilibrium between the economic, environmental, and social objectives of the Company, ensuring the best interests of all stakeholders are served.

Mr. Sanjay Dalmia's remarkable leadership, strategic thinking, and extensive industry knowledge make him an exceptional asset to the Company. His tireless efforts in public policy and advocacy, coupled with his commitment to CSR and his profound understanding of capital markets and finance & accounts, have paved the way for the Company's continuous success. Mr. Dalmia is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees

Mr. Anurag Dalmia

DOB - May 11, 1956
Non-executive Vice Chairman
(Promoter)

Mr. Anurag Dalmia (DOB - May 11, 1956) is a Non-executive Director (Promoter) of the Company. With his extensive experience as an eminent Industrialist, he brings a wealth of knowledge and expertise to the Board. Mr. Dalmia is actively involved in various industry associations and has represented organizations such as PHD Chambers of Commerce and Industry, as well as Confederation of Indian Textile Industry.

As a member of the Board, Mr. Anurag Dalmia contributes with his strong leadership and strategic thinking abilities. His general management skills, coupled with his deep understanding of the industry, make him a valuable asset to the Company. He is actively engaged in public policy and advocacy, ensuring that the Company's activities align with societal needs and expectations.

Mr. Dalmia serves as the Chairman of the CSR Committee, demonstrating his commitment to corporate social responsibility. He also serves as a member of the Risk & Sustainability Committee, where he contributes his insights on managing risks and driving sustainable practices. Additionally, Mr. Anurag Dalmia possesses a sound understanding of the capital market and finance & accounts, further enhancing the Board's expertise in these areas.

Mr. Dalmia is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees

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Mrs. Vijaylaxmi Joshi (Ex-IAS)

DOB – August 1, 1958
Non-Executive Independent Director

Mrs. Vijaylaxmi Joshi (DOB – August 1, 1958) is a highly respected and accomplished Non-Executive Independent Director of the Company. With an illustrious career as a 1980 batch IAS officer of the Gujarat cadre, she brings a wealth of experience and expertise to the Board, particularly in the areas of CSR, finance & accounts, corporate governance, EHS, sustainability, leadership, strategic thinking, public policy, and public advocacy.

Throughout her distinguished tenure, Mrs. Joshi has held various significant positions at both the State and Central levels, demonstrating her exceptional leadership capabilities and strategic acumen. Notably, she has served as Joint and Additional Secretary in the Commerce Ministry and as Secretary in the Ministry of Panchayati Raj. She has also played a pivotal role as Officer on Special Duty in the Ministry of Drinking Water and Sanitation, overseeing the impactful Swachh Bharat Abhiyan (Clean India program). Moreover, Mrs. Joshi has excelled in her role as Managing Director of Gujarat Mineral Development Corporation Ltd, a government company.

As a Director on the Board of Adani Enterprises Limited and GHCL Textiles Limited, Mrs. Joshi brings her profound knowledge and expertise in finance, accounts, and corporate governance to these organizations. She actively contributes as a member of the Audit Committee in both companies, ensuring financial transparency and accountability. In her position as Chairperson of the Nomination & Remuneration Committee within the Company, she oversees the appointment and remuneration of key personnel, fostering a culture of meritocracy and fairness.

Mrs. Vijaylaxmi Joshi's dedication to environmental sustainability and EHS practices makes her an invaluable asset to the Company. Her strong belief in responsible and ethical business practices aligns with the Company's commitment to sustainable development.

Furthermore, Mrs. Joshi's deep understanding of public policy and advocacy enables her to contribute valuable insights to the Board's decision-making processes. Her leadership qualities and strategic thinking abilities empower her to shape policies that address crucial societal issues.

With her extensive knowledge and experience, Mrs. Vijaylaxmi Joshi enriches the Board's discussions and deliberations, offering a unique perspective on matters of finance, governance, sustainability, and societal impact. Her commitment to excellence and unwavering dedication to the Company's stakeholders make her an exemplary Non-Executive Independent Director. Mrs. Joshi is neither a member of more than 10 Committees nor a Chairperson of more than 5 Committees. She does not hold any shares in the Company.

Dr. Manoj Vaish

DOB – May 24, 1961
Non-Executive Independent Director

Dr. Manoj Vaish (DOB – May 24, 1961) is a highly esteemed Non-Executive Independent Director of the Company, having joined the Board on April 1, 2019. Recognizing his exceptional capabilities and expertise, the Board appointed him as the Lead Independent Director on July 29, 2021. Dr. Vaish holds a B.Com. (Hon.) from S.R.C.C., an M.B.A. with a major in Finance from F.M.S., Delhi University, and a Ph.D. in his field of study.

With a remarkable background in finance, forex, and securities markets, Dr. Vaish has accumulated a wealth of experience through his notable roles in prominent organizations such as BSE, Dun & Bradstreet, Deutsche Bank, and NSDL Database Management Ltd. His expertise extends to areas including financial education and training, sales and marketing, risk management, credit ratings, and e-governance.

Currently, Dr. Manoj Vaish serves as a Director on the Board of Mirae Asset Trustee Company Private Limited, Anand Rathi Financial Services Limited, and GHCL Textiles Limited. In his capacity as Chairman of the Audit Committee at GHCL Textiles Limited, he ensures effective financial oversight and compliance. Additionally, he contributes his valuable insights as a member of the Audit Committee at Mirae Asset Trustee Company Private Limited and Anand Rathi Financial Services Limited. As Chairman of the Audit & Compliance Committee and a member of the Nomination & Remuneration Committee within the Company, Dr. Vaish plays a crucial role in upholding governance standards and fostering effective leadership practices.

Dr. Vaish's expertise in finance, accounts, and capital markets, coupled with his understanding of digitization and data projection, enables him to provide invaluable guidance to the Company. He recognizes the importance of CSR initiatives and is committed to integrating responsible business practices into the Company's operations.

With his strong leadership qualities and strategic thinking abilities, Dr. Manoj Vaish contributes significantly to the Board's decision-making processes. His dedication to upholding the highest standards of governance, coupled with his expertise in financial matters and his advocacy for public interests, makes him an indispensable asset to the Company.

Dr. Manoj Vaish is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. He is not a member or Chairman of any Board or Committee in any other listed Company. He does not hold any shares in the Company

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Justice (Retd.) Ravindra Singh

DOB – July 2, 1953
Non-Executive Independent Director

Justice (Retd.) Ravindra Singh (DOB – July 2, 1953) is a highly esteemed Non-Executive Independent Director of the Company, having joined the Board on April 1, 2019. With a distinguished academic background, Justice (Retd.) Ravindra Singh holds a B.Sc. and LL.B. He embarked on an illustrious legal career as an Advocate in Allahabad before being elevated as a judge of the Allahabad High Court in 2004. After a remarkable tenure, he retired on July 1, 2015. Recognizing his exceptional contributions to the legal profession, he was designated as a Senior Advocate by the Supreme Court of India on August 31, 2016.

Justice (Retd.) Ravindra Singh brings a wealth of legal experience to the Company, that makes him an icon in the legal arena. His deep understanding of the law, coupled with his astute financial acumen, empowers him to contribute effectively to the Board's deliberations on governance matters. As Chairman of the Stakeholders Relationship Committee and a member of the Nomination & Remuneration Committee and the CSR Committee, he plays a pivotal role in ensuring the Company's adherence to corporate governance principles and promoting responsible business practices.

Beyond his legal prowess, Justice (Retd.) Ravindra Singh possesses strong leadership and strategic thinking abilities. His general management skills enable him to provide valuable insights and guidance in shaping the Company's strategic direction. Moreover, his commitment to public advocacy and public policy positions him as a trusted advocate for stakeholders' interests.

With his extensive legal expertise, financial understanding, and multifaceted leadership skills, Justice (Retd.) Ravindra Singh enhances the Company's ability to navigate complex legal and governance landscapes. His presence on the Board not only strengthens the Company's commitment to excellence but also ensures that it upholds the highest standards of ethics and integrity.

Justice (Retd.) Ravindra Singh is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. He is not a member or Chairman of any Board or Committee in any other Company. He does not hold any shares in the Company.

Mr. Arun Kumar Jain (Ex-IRS)

DOB – January 4, 1956
Non-Executive Independent Director

Mr. Arun Kumar Jain, IRS (DOB – January 4, 1956), an accomplished Non-Executive Independent Director, has been an invaluable member of the Company since April 1, 2019. With an impressive academic background, Mr. Jain holds a M.Sc. and LL.B. He served the nation with distinction as a retired Indian Revenue Service (IRS) officer, holding various eminent positions within the Department of Revenue, including the prestigious role of Chairman of the Central Board of Direct Taxes. His extensive experience in taxation positions him as a leading authority in this field.

As Chairman of the Risk & Sustainability Committee and a member of the Audit & Compliance Committee and the Stakeholders Relationship Committee, Mr. Jain plays a crucial role in ensuring effective governance practices and sustainable business strategies within the Company. Moreover, his expertise extends to the administration and implementation of the "Whistle Blower Policy" as the designated Ombudsperson, fostering a culture of transparency and accountability.

In addition to his contributions to the Company, Mr. Jain serves as a Director on the boards of prominent organizations such as West End Housing Finance Ltd., M R Technofin Consultancy Pvt. Ltd., West End Investment And Finance Consultancy Pvt. Ltd., Sahara India Life Insurance Company Limited, and GHCL Textiles Limited. His diverse portfolio showcases his proficiency in areas including taxation, accounts and finance, governance, CSR, general management, strategic thinking, public advocacy, finance and accounts, capital market, and EHS.

Mr. Arun Kumar Jain's vast knowledge, experience, and strategic acumen make him a valuable asset to the Company. His dedication to upholding the highest standards of governance and his contributions to the field of taxation exemplify his commitment to excellence. Through his multifaceted expertise, he enhances the Company's ability to navigate complex financial and regulatory landscapes while ensuring the welfare of its stakeholders. Mr. Jain is neither a member of more than 10 Committees nor a Chairman of more than 5 Committees. He does not hold any shares in the Company.

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Dr. Lavanya Rastogi

DOB – March 8, 1981
Non-Executive Independent Director

Dr. Lavanya Rastogi (DOB – March 8, 1981) stands as an esteemed Non-Executive Independent Director of the Company, bringing a wealth of expertise and insight. His directorship with the Company commenced on November 24, 2014, marking the beginning of his impactful contribution.

A distinguished alumnus of the prestigious Harvard Business School, Dr. Rastogi is widely regarded as a thought leader in the domains of entrepreneurship, leadership, and the global economy. Currently serving as the CEO of LV Futures Group, a renowned conglomerate with diverse investments in IT, Digital Media, Sports, Real Estate, Education & Health Care, and headquartered in the United States, he exemplifies visionary leadership.

In recognition of his exceptional accomplishments, Dr. Rastogi was bestowed with the esteemed "Distinguished Young Entrepreneur Award" by the Academy for Global Business Advancement (AGBA) in 2009. His active involvement in various trade associations and industry chambers, including NASSCOM, North Carolina Technology Association (NCTA), FICCI, Austin Technology Council (ATC), Entrepreneurs' Organization (EO), India American Chamber of Commerce (IACCGH), and World Affairs Council of Houston, further exemplify his influential presence in the business world.

Dr. Rastogi's expansive knowledge and experience extend across critical domains such as information technology, cyber security, data projection, digitization, finance & accounts, governance, CSR, sustainability, strategic thinking, and public policy. These multifaceted areas of expertise have contributed significantly to his remarkable success and profound impact in shaping the industry landscape.

It is noteworthy that Dr. Lavanya Rastogi does not hold any shares in the Company, emphasizing his commitment to unbiased decision-making and impartial governance. His remarkable achievements and unwavering dedication to excellence continue to inspire and pave the way for innovation, growth, and sustainability within the Company and the wider business community. Dr Rastogi is neither a member of more than 10 committees nor a Chairman of more than 5 committees.

Mr. R S Jalan

DOB – October 10, 1957
Managing Director

Mr. R S Jalan (DOB - October 10, 1957) is the Managing Director of the Company. With more than three decades of experience in the corporate world, Mr. Jalan is a distinguished leader known for his exceptional leadership, strategic thinking, and industry expertise. He holds a 1st Class Commerce Graduate (Hons) degree and is a Fellow Member of the Institute of Chartered Accountants of India, New Delhi (FCA).

Mr. Jalan's journey in the corporate sector began with various notable organizations such as Modi Investment Corporations Limited, Sanjay Paper and Chemicals Limited, Dalmia Industries Limited, Dalmia (Bros.) Private Ltd. and GTC Industries Limited. However, his association with the Dalmia Group of Companies has been particularly instrumental in his career growth. Currently, he holds the position of Managing Director at GHCL Limited, where he plays a pivotal role in setting the tone for the company's values, ethics, and culture.

Under Mr. Jalan's leadership, GHCL has witnessed phenomenal growth and established itself as a reputable organization in both the soda ash and textiles segments. His deep-rooted operational control, business structuring expertise, and focus on research and development, marketing and exports, and diversification and modernization planning have contributed significantly to GHCL's success. He has been recognized for his achievements, ranking 29th in the list of Top 100 CEOs based on the BT – PWC Best CEO survey in 2017.

Mr. Jalan is also actively involved in various committees, including the Stakeholders Relationship Committee, Banking & Operations Committee, CSR Committee, and Risk & Sustainability Committee of the Company. His expertise extends to areas such as finance & accounts, governance, law, EHS, capital market, digitization and data projection, as well as public advocacy and public policy.

Through his strategic guidance, financial acumen, and unwavering commitment to excellence, Mr. R S Jalan has played a pivotal role in driving GHCL's growth and establishing it as a frontrunner in the industry. His leadership, industry expertise, and the seven mantras he introduced continue to shape GHCL's trajectory, ensuring its continued success in the dynamic corporate landscape. Mr. Jalan is neither a member of more than 10 committees nor a Chairman of more than 5 committees

Mr. Raman Chopra

DOB – November 25, 1965
Chief Financial Officer (CFO) & Executive Director (Finance)

Mr. Raman Chopra (D.O.B.: November 25, 1965) is the Chief Financial Officer (CFO) & Executive Director (Finance) of the Company. With a remarkable association of 19 years with GHCL Limited, Mr. Chopra has played a pivotal role in the company's growth and success. He joined GHCL in 2003 as Senior Vice President, Home Textiles Division, and made significant contributions in establishing GHCL's Home Textile plant at Vapi, showcasing his exceptional leadership and strategic thinking.

In November 2007, Mr. Chopra was appointed as the CFO and later became a member of the Board of Directors in April 2008. His astute financial acumen, unparalleled negotiation skills, and dedication to integrating the latest technological advancements have been instrumental in enhancing GHCL's business processes and ensuring its financial stability.

Under his leadership, GHCL has consistently achieved the status of a "Great Place to Work" for six consecutive years, showcasing his commitment to creating a positive work culture and nurturing talent within the organization.

Mr. Chopra possesses a profound understanding of corporate finance, governance, and sustainability, enabling him to navigate complex financial landscapes with ease. He is actively involved in various committees, including the CSR Committee, Stakeholders Relationship Committee, Banking & Operations Committee, and Risk Management Committee. His responsibilities encompass overseeing the company's growth initiatives and driving its progress in alignment with industry standards.

In addition to his financial expertise, Mr. Chopra exemplifies a strong sense of social responsibility. He actively contributes to GHCL's CSR initiatives, demonstrating his dedication to creating a positive impact on society. Furthermore, his leadership extends to areas such as law, EHS, capital market, digitization, data projection, and public advocacy, making him a well-rounded professional in the corporate sphere.

With his visionary approach and ability to make strategic decisions, Mr. Raman Chopra continues to shape GHCL's financial landscape, ensuring its sustainable growth and maintaining its position as an industry leader. His exceptional leadership qualities, coupled with his expertise in finance and accounts, governance, and public policy, make him an invaluable asset to the company's success. Mr. Chopra is neither a member of more than 10 committees nor a Chairman of more than 5 committees

Mr. Neelabh Dalmia

DOB – August 16, 1983
Executive Director (Growth & Diversification Projects)

Mr. Neelabh Dalmia (DOB – August 16, 1983) serves as the Executive Director (Growth & Diversification Projects) and Whole Time Director of the Company. With a robust educational background, holding an MBA from the Kelley School of Business at Indiana University, USA, and a Bachelor's degree in Business Administration with a specialization in Finance & Entrepreneurship, Mr. Dalmia brings a wealth of knowledge and expertise to his role.

As a strategic leader, Mr. Dalmia has been instrumental in driving the overall growth of the company in a sustainable manner. He possesses extensive experience in establishing green-field projects, managing investments, and overseeing mergers and acquisitions. Currently, he is spearheading the group's strategic investments, aligning them with the company's long-term growth plans and exploring opportunities for diversification and expansion. Under his guidance, the company has made significant strides in the renewable energy sector, particularly in the area of captive green wind power, further enhancing its commitment to environmental sustainability.

In addition to his role as Executive Director, Mr. Neelabh Dalmia actively participates in various committees, including the Stakeholders Relationship Committee, CSR Committee, Risk & Sustainability Committee, and Banking and Operations Committee. His comprehensive understanding of corporate governance, finance & accounts, industry trends, and general management enables him to contribute effectively to these committees and drive impactful decision-making.

Beyond his professional endeavours, Mr. Dalmia demonstrates a strong sense of social responsibility and environmental consciousness. He is a passionate wildlife photographer and dedicates his spare time to exploring India's forests, capturing the unique habitats of animals and birds. Concerned about the environment and societal inequities, Mr. Dalmia has played a pivotal role in mentoring and initiating extensive corporate social responsibility (CSR) programs at GHCL. He believes that these initiatives will not only facilitate smoother operations through local partnerships but also generate significant economic and social value for the company in the long run.

Furthermore, Mr. Neelabh Dalmia has been a Co-Chairman of the International Affairs Committee for ASEAN East Asia & Oceania at the PHD Chamber of Commerce and Industry (PHDCCI). He is actively involved with national industry bodies like Confederation of Indian Industry (CII), The Confederation of Indian Textiles Industry (CITI), TEXPROCIL and Federation of Indian Chambers of Commerce and Industry (FICCI). Mr. Dalmia's involvement in this role further underscores his commitment to public policy, advocacy, and fostering collaborations with the various stakeholders. He is a member of the Indian Angel Network (IAN) though which he supports various start-ups via angel investment. In addition is also a member of the prestigious Young Presidents' Organization (YPO).

With his strong focus on CSR, environmental sustainability, corporate governance, finance & accounts, industry expertise, and strategic thinking, Mr. Neelabh Dalmia continues to drive GHCL's growth trajectory while making a positive impact on society and the environment. His leadership and dedication exemplify the values and vision of the company, reinforcing its position as an industry leader. He is neither a member of more than 10 committees nor a Chairman of more than 5 committees

3. Committees of the Board

(i) Audit & Compliance Committee

"As the Chairman of the Audit & Compliance Committee, I am delighted to affirm that our organization boasts an exceptional system for audit and compliance, positioning us as leaders in preventing fraud and safeguarding the best interests of our valued stakeholders. Our unwavering commitment to transparency, accuracy, and integrity sets us apart from the rest. By implementing meticulous oversight, ensuring timely reporting, and fostering effective communication, we fortify the foundation of trust and reliability upon which our stakeholders can rely. With an unwavering dedication to upholding the highest standards of corporate governance, we proudly established ourselves as a model of excellence, assuring stakeholders that their interests remain protected and prioritized."

Dr Manoj Vaish
Chairman Audit & Compliance Committee

The Audit & Compliance Committee, originally established in 2000, has been a crucial component of the Board of Directors' governance framework. In a meeting held on July 29, 2021, the Board of Directors renamed the committee as the "Audit & Compliance Committee" and expanded its scope of responsibilities. As of March 31, 2023, the committee comprises three independent directors who possess extensive expertise in financial and accounting domains.

The constitution of the Audit & Compliance Committee adheres to the provisions outlined in Section 177 of the Companies Act, 2013, in conjunction with Regulation 18 of the Listing Regulations. To support the committee in its functioning, Mr. Bhuwneshwar Mishra, the Company Secretary, serves as the Committee Secretary.

The primary role of the Audit & Compliance Committee is to serve as a vital link between the statutory and internal auditors and the Board of Directors. By assuming this intermediary position, the committee facilitates effective communication and collaboration in matters related to auditing and compliance.

The committee plays a pivotal role in assisting the Board in fulfilling its responsibility of overseeing the quality and integrity of the Company's accounting, auditing, and reporting practices. Moreover, it ensures the Company's compliance with legal and regulatory requirements. The overarching purpose of the Audit & Compliance Committee is to provide oversight of the Company's accounting and financial reporting process, review the audits of the Company's financial statements, and monitor the appointment, independence, and performance of the statutory auditors and internal auditors.

By diligently fulfilling its mandate, the Audit & Compliance Committee reinforces the transparency, accuracy, and reliability of the Company's financial operations. Its dedicated efforts contribute to maintaining the highest standards of corporate governance and instilling stakeholders' confidence in the Company's financial disclosures.

Terms of Reference:

The role of the Audit & Compliance Committee shall include the following:

a. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

b. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fee and also approval for payment to Statutory Auditors for any other services rendered by the Statutory Auditors.

c. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to;

   - Matters required to be included in the Director's Responsibility statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013
   - Changes, if any, in accounting policies and practices and reasons for the same.
   - Major accounting entries involving estimates based on the exercise of judgement by management.

- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Modified opinion(s) in the draft audit report.

d. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

e. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter.

f. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

g. Approval or any subsequent modification of transactions of the company with related parties;

h. Scrutiny of inter-corporate loans and investments;

i. Valuation of undertakings or assets of the company, wherever it is necessary;

j. Evaluation of internal financial controls and risk management systems;

k. Reviewing with the management, performance of the statutory and internal auditors' and adequacy of internal control systems.

l. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

m. Discussion with internal auditors any significant findings and follow up there on.

n. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

o. Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

p. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

q. To review the functioning of the Whistle Blower mechanism;

r. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience & background, etc. of the candidate.

s. Carrying out any other function as is mentioned in the terms of reference of the Audit & Compliance Committee.

t. Recommending to the Board, the appointment / reappointment of the Cost Auditors and Secretarial Auditor.

u. Reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

v. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc on the listed entity and its shareholders.

w. Review the adequacy of the compliance monitoring system

x. Assists the Board in relation to the company's compliance and its value system

y. Engage in the process of evaluating, developing, recommending and implementing strategy, policy, procedures, processes, code of conduct and standards in respect of compliance and its value system.

z. Any other activities as per the requirement of Regulation 18 of the Listing Regulations and applicable provisions of the Companies Act, 2013

Corporate Governance

For the Financial Year Ended March 31, 2023
(as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

The Audit & Compliance Committee operates with utmost diligence and efficiency to fulfil its responsibilities. The committee ensures that the executive summary of its meetings is presented to the immediate next Board Meeting for deliberation, and the comprehensive minutes are recorded in the subsequent Board Meeting for reference. The Chairman of the Audit & Compliance Committee provides the Board with updates on the committee's recommendations.

At the start of each financial year, the committee discusses the plan for both internal and statutory audits. The dates for the Audit & Compliance Committee Meetings are scheduled well in advance, and the agenda, along with explanatory notes, is circulated at least seven days prior to the meeting. In cases where it is not feasible to attach certain documents to the agenda, they are presented during the meeting, with explicit reference to this effect in the agenda. In exceptional circumstances, additional or supplementary items may be added to the agenda. In urgent situations or to maintain the confidentiality of transactions, the committee may convene a meeting on shorter notice, complying with all necessary requirements.

During the financial year ending March 31, 2023, the Audit & Compliance Committee of the Board convened four times, adhering to the requirement of Regulation 18 of the Listing Regulations and the Companies Act 2013. The committee ensured that the time gap between any two meetings did not exceed 120 days, maintaining compliance with regulatory provisions. All meetings had adequate quorum, with the presence of members actively participating in the discussions. The composition of the Audit & Compliance Committee and the attendance records of its members are presented below.

By adhering to strict governance practices, timely reporting, and effective communication, the Audit & Compliance Committee contributes significantly to the overall transparency, accountability, and sound financial management of the company

	Name of the Audit & Compliance Committee members			
	Dr. Manoj Vaish – Chairman	Mrs. Vijaylaxmi Joshi	Justice (Retd.) Ravindra Singh[2]	Mr. Arun Kumar Jain (Ex-IRS)
Category	Non-Executive -Independent Director (Expertise in Finance, account, forex, tax and securities market)	Non-Executive-Independent Director - (Ex – IAS) (Expertise in administration, finance & taxation)	Non-Executive -Independent Director (Expertise in legal, finance, treasury administration)	Independent Director (Expertise in Finance, accounts, taxation & CSR)
Date of the Meeting				
April 30, 2022	✓	✓	✓	✓
July 28, 2022	✓	✓	N.A	✓
October 31, 2022	✓	✓	N.A	✓
January 31, 2023	✓	✓	N.A	✓
Whether attended Last AGM (Yes/No)	✓	✓	✓	✓

Note:

1. *The Audit & Compliance Committee ensures that relevant stakeholders are invited to its meetings as required. Invitees include the Managing Director, CFO & Executive Director (Finance), Executive Director (Textiles), Statutory Auditors, Internal Auditors, and other concerned employees responsible for Internal Audit/accounts. Their presence and inputs contribute to comprehensive discussions and informed decision-making during the committee meetings.*
2. *The Board of Directors, in their meeting held on April 30, 2022, reconstituted various committees, including the Audit & Compliance Committee. As a result of this reconstitution, Justice (Retd.) Ravindra Singh is no longer a member of the Audit & Compliance Committee. This decision aligns with the board's commitment to periodic review and optimization of committee memberships to ensure the most effective composition and expertise within each committee.*

The Company has diligently complied with the requirements stipulated in Regulation 18 of the Listing Regulations pertaining to the composition of the Audit & Compliance Committee.

The committee is led by Dr. Manoj Vaish, an esteemed expert in Finance and Accounting, with a wealth of knowledge in areas such as forex and securities market. Dr. Vaish's expertise and experience contribute significantly to the committee's effectiveness. In line with the regulations, Dr. Manoj Vaish attended the 39th Annual General Meeting held on June 30, 2022 to address and respond to shareholders' queries.

Pursuant to Regulation 18(3) and para B of Part C of Schedule II of the Listing Regulations, the Audit & Compliance Committee meticulously reviewed the following information

- Management Discussion and Analysis of the company's financial condition and results of operations.
- Management letter(s) and letters of Internal control weaknesses issued by the Statutory Auditors, highlighting any areas that require attention or improvement in the internal control framework.
- Reports from the Internal Auditors regarding any identified internal control weaknesses or areas for enhancement.
- Appointment, removal, and terms of remuneration of the Chief Internal Auditors, ensuring appropriate governance and oversight of internal audit function.
- Statement of deviations
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchange(s) in terms of Regulation 32(1) – **Not applicable during FY 2022-23**
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ Prospectus/notice as per Regulation 32(7) **-- Not applicable during FY 2022-23**

These reviews and assessments are essential for maintaining robust corporate governance practices and ensuring compliance with regulatory requirements. The Audit & Compliance Committee's commitment to thorough examination of these aspects enhances transparency, accountability, and the overall integrity of the company's operations.

Statutory Auditors Engagement Disclosure

GHCL has established a robust policy concerning the engagement of audit firms and their affiliates, with a focus on preserving the independence and impartiality of statutory auditors in their reporting to shareholders. The company recognizes the importance of ensuring that the involvement of the statutory audit firm or its affiliates in non-audit services does not compromise their independent role or create conflicts of interest.

The Audit & Compliance Committee plays a crucial role in continuously monitoring the independence and objectivity of the statutory auditors, as well as the effectiveness of the audit process. In certain cases, it may be more efficient and timely to engage M/s S. R. Batliboi & Co. LLP and its affiliates, such as EY, for both audit and non-audit services, considering their existing familiarity with the company. However, such engagements are subject to rigorous checks, including competitive tendering, to ensure that they are the most suitable service provider.

To safeguard auditor objectivity and independence, robust processes are implemented when M/s S. R. Batliboi & Co. LLP and its affiliates undertake non-audit work. Regardless of the size of the non-audit engagement performed by EY, it is always presented to the Audit & Compliance Committee for thorough consideration and approval. M/s S. R. Batliboi & Co. LLP, being a member firm of a professional accounting body, is also bound by professional standards that uphold the integrity of their auditing role on behalf of shareholders.

In accordance with the Code of Ethics of the Institute of Chartered Accountants of India (ICAI), GHCL acknowledges that compliance with fundamental principles may be jeopardized by various circumstances. These circumstances include self-interest threats, self-review threats, advocacy threats, familiarity threats, and intimidation threats. The Audit & Compliance Committee, when reviewing and approving proposals for non-audit services, evaluates these threats objectively and seeks independent opinions from subject experts whenever necessary.

By implementing these measures, GHCL ensures that the independence, objectivity, and integrity of the audit process are upheld, while also complying with relevant professional codes and ethical standards. The company's commitment to maintaining a robust system of checks and balances helps safeguard shareholder interests and fosters transparency in financial reporting.

Corporate Governance

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(as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

During the financial year under review, E& Y, an affiliate of a statutory audit firm, is engaged for assurance of integrated report for FY 2022-23. Further, the statutory audit firm M/s S R Batliboi & Co. LLP has performed the non-audit services related to the demerger of Yarn business and restatement of the financial statements of the company in accordance with the Ind AS along with statutory audit for FY 2022-23.

(ii) Nomination & Remuneration Committee:

"I take great pride in leading a committee that sets the benchmark for corporate governance excellence. Our unwavering commitment extends beyond compliance to embrace vital aspects such as succession planning, gender diversity, equal pay, non-discrimination, and respect for human rights. By meticulously evaluating qualifications, promoting diversity, and fostering a culture of fairness, we create an inclusive environment that nurtures talent, upholds equality, and champions ethical practices. Through our efforts, we strive to attract, retain, and empower exceptional individuals while safeguarding the interests of our stakeholders, ensuring a brighter future for our organization."

Vijaylaxmi Joshi, ex IAS

Chairperson - NRC

The Company maintains a transparent compensation policy for its Directors, ensuring compliance with applicable regulations. The Nomination & Remuneration Committee, established in 1995, operates in accordance with Section 178 of the Companies Act, 2013, and Regulation 19 of the Listing Regulations. As of March 31, 2023, the committee consists of three Independent Directors, with the Chairperson also being an Independent Director. Mr. Bhuwneshwar Mishra, Vice President- Sustainability & Company Secretary, acts as the Secretary to the Committee.

In alignment with Section 178(2) of the Companies Act, 2013, and Regulation 19(4) read with para A of Part D of Schedule II of the Listing Regulations, the Nomination and Remuneration Committee has the following responsibilities:

1. Identifying qualified individuals to serve as Directors and for senior management positions, based on the criteria established by the company. The term "senior management" shall mean the officers and personnel of the company who are members of the its core management team, excluding the Board of directors, and shall also comprise all the members of the management one level below the CEO or Managing Director or Whole time directors (including CEO in case he is not a part of the Board of Directors) and shall specially include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

2. Recommending to the Board the appointment and removal of individuals identified in point (1) above.

3. Formulating criteria for determining the qualifications, positive attributes, and independence of Directors and recommending to the Board a remuneration policy for Directors, key managerial personnel, and other employees.

4. Evaluating the balance of skills, knowledge, and experience on the Board upon the appointment of an independent Director. Based on this evaluation, preparing a description of the role and capabilities required of an independent Director. The recommended candidate for the position of an independent Director should possess the identified capabilities. The Committee may utilize external agencies, consider candidates from diverse backgrounds, and take into account the time commitments of the candidates when identifying suitable candidates.

5. Devising a policy on diversity for the Board of Directors.

6. Formulating criteria for evaluating the performance of Independent Directors and the Board of Directors.

7. Deciding whether to extend or continue the term of appointment of an independent Director based on the report of the performance evaluation of independent Directors.

8. Recommending to the Board all remuneration, in any form, payable to senior management.

9. Carrying out any other activities required by Regulation 19 of the Listing Regulations and the Companies Act, 2013.

The Nomination and Remuneration Committee establishes the overall policy on remuneration and other employment terms for Executive Directors and recommends the sitting fee and commission for Non-Executive Directors within the overall ceiling approved by the Company's members. The Committee determines the remuneration package for Executive Directors based on individual performance, experience, and market conditions, aiming to provide an appropriate remuneration package for the associated responsibilities. When reviewing the overall remuneration for Directors and Senior Management, the Committee ensures that it is reasonable and sufficient to attract, retain, and motivate top managerial talent. Additionally, the remuneration structure maintains a clear relationship with performance, meets appropriate benchmarks, and strikes a balance between fixed and incentive pay aligned with the Company's short-term and long-term objectives.

Executive summaries of the Nomination and Remuneration Committee Meetings are presented for deliberation at the immediate Board Meeting following the committee meeting, while full minutes are recorded and presented at the subsequent Board Meeting for documentation. The dates of the Nomination & Remuneration Committee Meetings are scheduled in advance, and the agenda and explanatory notes are circulated to Directors at least seven days prior to the meeting.

During the financial year ending March 31, 2023, the Nomination and Remuneration Committee convened three times on April 30, 2022, May 30, 2022, and January 13, 2023. The committee consists of Non-Executive Directors, and the attendance of Directors at the meetings is as follows

COMPOSITION AND ATTENDANCE OF MEMBERS AT THE NOMINATION & REMUNERATION COMMITTEE MEETINGS HELD DURING THE FINANCIAL YEAR ENDED MARCH 31, 2023

Category of Director	Name of the Nomination & Remuneration Committee Members			
	Mrs. Vijaylaxmi Joshi – Chairperson of the Committee	Mr. Sanjay Dalmia[1]	Dr. Manoj Vaish	Justice Ravindra Singh
	Non -Executive - Independent Director (Ex –IAS)	Non- Executive Director (Industrialist)	Non -Executive - Independent Director (Expertise in Finance, forex and securities market)	Non-Executive -Independent Director (Expertise in legal)
Date of the Meeting				
April 30, 2022	✓	✓	✓	✓
May 30, 2022	✓	N.A.	✓	✓
January 13, 2023	✓	N.A.	✓	✓
Whether attended Last AGM (Yes/ No)	✓	✓	✓	✓

1. *The Board of Directors, during their meeting on April 30, 2022, undertook the reconstitution of various committees. During this reconstitution, Mr. Sanjay Dalmia voluntarily chose to withdraw from the membership of the Nomination & Remuneration Committee. Mr. Dalmia has taken the decision in line with the principles of good governance, demonstrating his commitment to ensuring transparency, fairness and independence of the committee's function from the promoters.*

Remuneration Policy:

The "Nomination and Remuneration Policy" and "Policy on variable pay/commission payable to Executive Directors, including Managing Director," are important components of the Board's Report and are also available on the company's website. These policies have been carefully designed and implemented to fulfil the following objectives:

1. **Attract, Retain, and Motivate:** The company aims to attract, retain, and motivate highly qualified and competent individuals at various levels, including Directors, Key Managerial Personnel, and other employees, who are crucial for the successful operation of the company
2. **Market Competitiveness:** The Company ensures that its payment structure remains competitive and aligned with the market salary levels. This helps the company to remain competitive in the industry and attract top talent
3. **Performance-based Rewards:** The Company periodically reviews the remuneration of its employees based on their performance, potential, and value addition to the company. A systematic assessment process is followed to determine the appropriate rewards for their contributions
4. **Compliance and Legal Obligations:** The Company ensures that all salary and perk disbursements comply with the applicable statutory provisions and prevailing tax laws of the country. This ensures adherence to legal obligations and maintains transparency in compensation practices

To accomplish these objectives, we employ various ongoing processes, such as salary surveys to gather market data, regular reviews of our performance appraisal and reward systems, implementation of incentive schemes, provision of skill development opportunities, and adjustment of salary structures in accordance with changes in tax laws.

While performance assessments are conducted by reporting managers, the ultimate authority for reviewing performance and determining rewards lies with the Nomination and Remuneration Committee of the Board of Directors. This committee adheres to our company's policy and considers factors such as performance, potential, and value addition when making compensation decisions.

We have a dedicated focus on offering competitive compensation packages to deserving candidates, surpassing prevailing market practices. This approach ensures that we attract and retain top talent, while maintaining a strong position in the market.

In terms of remuneration for directors, key managerial personnel, and senior management, we strike a balance between fixed and incentive pay, aligning short-term and long-term performance objectives with our company's goals. At present the maximum commission for whole time directors including the managing director shall not exceed 4% of the net profit of the company subject to the conditions that the overall remuneration of the managing director shall not exceed Rs. 15 Cr per annum and the overall remuneration for the whole time directors including the managing director shall not exceed Rs. 30 Cr per annum. This provision ensures that the remuneration structure remains aligned with our company's performance and provides flexibility to the committee in determining appropriate compensation for the Whole-time Directors including the managing director.

Keeping in view the demerger of yarn business and slump sale of Home Textiles business the Nomination and Remuneration Committee thoroughly discussed the matter and arrived at a decision that the issuance of fresh stock options to the Executive Directors including managing director would be considered after a period of 3 years.

Non-Executive Directors do not receive remuneration from the company, except for sitting fees and commissions determined by the Board within the overall approval given by the shareholders, in accordance with the relevant provisions of the Companies Act, 2013. The commission payable to Non-Executive Directors is limited to a fixed amount per year, approved by the Board, and does not exceed 1% of the net profit for the year, as calculated according to the Companies Act, 2013.

For the financial year ended March 31, 2023, the company paid a sitting fee of Rs. 40,000 per meeting to Non-Executive Directors for attending Audit & Compliance Committee, CSR Committee, NRC, Risk & Sustainability Committee and independent directors' meeting.

The actual amount of commission payable to each Non-Executive Director is determined by the Board, based on the recommendations of the Nomination & Remuneration Committee. The decision considers factors such as attendance and time spent in meetings, the outcome of the evaluation process, the role and responsibility as Chairman and/or Member of the Board/Committee, and individual contributions made both during and outside of meetings.

The NRC in its meeting held on April 29, 2023 in-principally agreed that any increase or decrease in the amount of commission payable to the Non-Whole Time Directors shall be limited to a maximum of 25% of the commission amount paid during the immediate previous year. This adjustment is contingent upon a significant increase or decrease in the company's profit in any financial year compared to the profit achieved in the immediate previous financial year. This approach ensures that changes in the commission align with the company's financial performance and provides a fair and balanced compensation framework for the Non-Whole Time Directors.

For detailed information about the remuneration, commission, and sitting fees paid/payable to the Directors of the Company for the financial year ended March 31, 2023, please refer to the following table:

We remain committed to ensuring transparency, fairness, and alignment with the best practices in our remuneration policies. Our aim is to create a strong foundation for attracting and retaining exceptional talent, supporting our growth, and delivering value to our esteemed shareholders.

Non-Whole time Directors

(in Rupees)

Name	Sitting Fees	Commission
Mr. Sanjay Dalmia	2,00,000	1,13,00,000
Mr. Anurag Dalmia	3,20,000	94,00,000
Dr. Manoj Vaish	4,80,000	49,00,000
Mrs. Vijaylaxmi Joshi, (Ex-IAS)	5,60,000	47,00,000
Justice (Retd.) Ravindra Singh	4,00,000	47,00,000
Mr. Arun Kumar Jain, (Ex-IRS)	4,40,000	47,00,000
Dr. Lavanya Rastogi	2,00,000	47,00,000
TOTAL	**26,00,000**	**4,44,00,000**

Note: *Please note that the commission payable to all Non-Whole Time Directors will not exceed 1% per annum of the net profit of the Company, as calculated under the provisions of the Companies Act, 2013. This ensures compliance with the regulatory framework and promotes transparency in our compensation practices.*

(in Rupees)

Managing Director / Whole Time Directors			
Name	**Salary and other perquisites**	**Commission**	**Total**
Mr. R S Jalan, Managing Director	5,37,21,989	9,50,00,000	14,87,21,989
Mr. Raman Chopra, CFO & Executive Director (Finance)	2,87,33,928	6,00,00,000	8,87,33,928
Mr. Neelabh Dalmia, Executive Director (Growth & Diversification Projects)	1,58,30,940	1,00,00,000	2,58,30,940
Total	**9,82,86,857**	**16,50,00,000**	**26,32,86,857**

a. The agreement with the Whole Time Directors is valid for a period of five years. Either party has the right to terminate the agreement by providing a written notice of six calendar months in advance to the other party.

b. The remuneration package for the Whole Time Directors includes their salary and various perquisites. This encompasses the company's contributions to the Provident Fund and Superannuation Fund, payment of Leave Travel Allowance (LTA), and the premium amount for the Gratuity Policy.

c. It is important to note that the Managing Director and the Whole Time Director (Finance) are eligible to receive Employees Stock Options as per the scheme implemented by the company. However, it should be clarified that Mr. Neelabh Dalmia, as a promoter director, is not entitled to receive Employees Stock Options.

We believe in maintaining transparent and fair practices in our remuneration policies and commitments

Corporate Governance

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(as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

Performance Evaluation:

In accordance with the provisions of the Companies Act, 2013, SEBI Guidance Note on Board evaluation issued on January 5, 2017, and the relevant provisions of the SEBI Listing Regulations, 2015, the Board has conducted an annual evaluation of its performance, as well as that of its Committees and individual Directors. This evaluation was carried out through separate meetings of independent directors and the Board as a whole.

The performance of the independent directors was evaluated by the entire Board, excluding the director being evaluated, during a meeting held on January 31, 2023. The performance of the Committees was evaluated by seeking inputs from the Committee Members and reviewing their effectiveness.

A dedicated meeting of Independent Directors took place on January 31, 2023, to assess the performance of Non-Independent Directors, the overall performance of the Board and its Committees, and the performance of the Chairman of the Company. This assessment took into consideration the views of both Executive and Non-Executive Directors.

The evaluation process of the Board and its constituents encompassed various aspects such as functions, responsibilities, competencies, strategy formulation, risk identification and control, diversity, and the nature of the business. A comprehensive questionnaire, designed to gauge the Board's functioning, culture, execution of duties, professional obligations, and governance, was circulated to all members. The questionnaire aimed to evaluate directors' knowledge, independence in decision-making, contribution to business plans, engagement with colleagues, understanding of the company's risk profile, and more. Additionally, the leadership, coordination, and steering skills of the Board Chairman and/or committee chairpersons were also assessed.

Furthermore, the Nomination and Remuneration Committee reviewed the performance of individual Directors based on their contributions as board or committee members. The committee considered the overall performance of each director in determining the quantum of profit-based commission payable to them.

We are committed to upholding the highest standards of corporate governance and continuously improving our Board's effectiveness and performance.

Procedure for Nomination and Appointment of Directors

The Nomination and Remuneration Committee (NRC) plays a pivotal role in ensuring the Board's competency aligns with the long-term strategy and industry requirements of the Company. The analysis of the Board composition demonstrates a comprehensive understanding of the Company, encompassing growth plans, environmental protection, business operations, financial condition, compliance requirements, diversification, and more.

The NRC conducts regular gap analyses to assess the need for refreshing the Board, especially during the appointment or re-appointment of Directors. The Committee meticulously reviews the profiles of potential candidates, evaluating their core competencies, expertise, business acumen, and other relevant factors before recommending their nomination to the Board. Prior to appointment, specific position requirements, including expert knowledge and other essential attributes, are communicated to the appointee.

The NRC identifies the list of core skills, expertise, and competencies essential for the Board of Directors in the context of the Company's businesses and sectors. Furthermore, the Company has mapped each skill, expertise, and competency against the names of the respective Board Members who possess them.

At GHCL, we place great emphasis on having a diverse and highly competent Board that is equipped to guide the Company towards sustainable growth and success. The NRC's diligent efforts in identifying, assessing, and aligning the Board's composition with the Company's strategic objectives are instrumental in ensuring effective governance and strategic decision-making.

For further details on the competencies and expertise of our Board Members and the diligent process followed by the NRC, please refer to the Corporate Governance section of our annual report.

(iii) Stakeholders Relationship Committee:

Stakeholders Relationship Committee:

"I am honored to lead a committee that values and prioritizes the interests of all our stakeholders. Our unwavering commitment is to provide exceptional services, promptly address grievances, and safeguard the rights and concerns of shareholders, customers, employees, suppliers, and the wider community. Through regular meetings and robust monitoring mechanisms, we ensure that all stakeholder feedback is heard, and their concerns are addressed effectively. By fostering transparency, trust, and strong relationships with all our stakeholders, we strive to uphold the highest standards of corporate governance. Together, we work towards building a future where the interests of all stakeholders are protected, and their confidence in our company remains unwavering."

Justice Ravindra Singh
Chairman SRC

In compliance with Section 178(6) of the Companies Act, 2013, and Regulation 20(4) read with para B of Part D of the Schedule II of the Listing Regulations, the Stakeholders Relationship Committee is entrusted with the following responsibilities:

1. Resolving grievances of the Company's security holders, including complaints related to share transfers/transmissions, non-receipt of annual reports, non-receipt of declared dividends, issuance of new/duplicate certificates, and matters concerning general meetings.
2. Reviewing measures taken to ensure effective exercise of voting rights by shareholders.
3. Assessing adherence to service standards adopted by the Company regarding services provided by the Registrar & Share Transfer Agent (RTA).
4. Reviewing various initiatives undertaken by the Company to reduce the quantum of unclaimed dividends and facilitate timely receipt of dividend warrants, annual reports, and statutory notices by shareholders

The Stakeholders Relationship Committee, formed in accordance with Section 178(5) of the Companies Act, 2013, and Regulation 20(2) & (2A) of the Listing Regulations, addresses the interests of the shareholders. The committee expedites the resolution of complaints such as share transfer delays, non-receipt of balance sheets, non-receipt of declared dividends, among others. Regular monitoring of complaints filed through the SEBI Complaints Redress System (SCORES) or received via Stock Exchanges, along with corresponding action taken reports (ATRs), is undertaken by the committee. Meetings are held periodically to enhance shareholder services and address complaints promptly, whether received by the RTA or directly by the Company. During the financial year 2022-23, a total of thirty-six meetings of the Stakeholders Relationship Committee were conducted.

The Stakeholders Relationship Committee is dedicated to ensuring the highest level of service and responsiveness to our valued shareholders. By promptly addressing grievances and upholding shareholder rights, we strive to foster transparency, trust, and strong stakeholder relationships.

The composition of Stakeholders Relationship Committee as on March 31, 2023 is as under:

Sl. No.	Name of Directors	Status
1	Justice (Retd.) Ravindra Singh – Independent Director	Chairman
2	Mr. Arun Kumar Jain – Independent Director	Member
3	Mr. R S Jalan – Managing Director	Member
4	Mr. Raman Chopra – CFO & Executive Director (Finance)	Member
5	Mr. Neelabh Dalmia – Executive Director (Growth & Diversification Projects)	Member

- In the meeting held on April 30, 2022, the Board of Directors reconstituted various committees, including the Stakeholders Relationship Committee. Justice (Retd.) Ravindra Singh was appointed as the Chairman of the Stakeholders Relationship Committee, replacing Mr. Arun Kumar Jain, while Mr. Arun Kumar Jain continues as a member of the Committee. These appointments strengthen the committee's capabilities and enhance stakeholder engagement.

Corporate Governance

For the Financial Year Ended March 31, 2023

(as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

The Company prioritizes the interests of its shareholders and considers them as valued owners. It takes proactive measures to address their concerns and resolves complaints in a timely manner. Most complaints are resolved within 15 days, excluding those of a legal nature

Status of total complaints received (including nine complaints received from Stock Exchanges / SEBI) during the financial year ended March 31, 2023:

Sl. No.	Type of Complaints	No. of Complaints pending as on March 31, 2022	Total No. of Complaints received during the financial year ended March 31, 2023	Total No. of Complaints resolved during the financial year ended March 31, 2023	No. of Complaints pending as on March 31, 2023
1	Non-receipt of dividend	0	14	14	0
2	Share transfer including Demat request	0	24	24	0
3	Non receipt of Annual Report	0	0	0	0
	Total	**0**	**38**	**38**	**0**

Note: *Additionally, it is important to acknowledge that there may be some complaints that are pending at court or with shareholders due to non-submission of the requested information by the Registrar & Transfer Agent (RTA). The Company is committed to working closely with the RTA to ensure that all necessary information is provided promptly and effectively to address these outstanding complaints..*

The Stakeholders Relationship Committee diligently reviews the summary of the complaints received and takes prompt and appropriate action to address them. It is important to note that there are no pending requests for share transfer or payment of dividends, except for those that are currently under dispute or sub judice.

Mr. Bhuwneshwar Mishra, Vice President - Sustainability & Company Secretary, serves as the Secretary to the Committee and also holds the position of Compliance Officer of the Company. Mr. Mishra plays a crucial role in ensuring efficient coordination and compliance with regulatory requirements, thereby contributing to effective stakeholder management and satisfaction.

(iv) Banking and Operations Committee

The Board established the Banking and Operations Committee with the purpose of expediting the day-to-day operations and exercising delegated powers on behalf of the Board. This Committee convenes as necessary to address and expedite matters related to operations and to provide authorization for various functional requirements.

The Committee's responsibilities include issuing Power of Attorney, arranging and negotiating term loans, working capital loans, short-term loans, and managing interactions with government authorities at the central and state levels, as well as statutory, judicial, regulatory, local, commercial, excise, customs, port, sales tax, income tax, and electricity board authorities, among others. The Committee acts on behalf of the Company in accordance with the delegated authority granted by the Board of Directors.

Throughout the financial year 2022-23, the Banking and Operations Committee held a total of eighteen meetings, ensuring efficient oversight and decision-making in key operational matters.

The composition of the Banking and Operations Committee as on March 31, 2023 is as under:

Sl. No.	Name of Directors	Status
1	Mr. R S Jalan – Managing Director	Member
2.	Mr. Raman Chopra – CFO & Executive Director (Finance)	Member
3	Mr. Neelabh Dalmia – Executive Director (Growth & Diversification Projects)	Member

(v) Corporate Social Responsibility (CSR) Committee & CSR activities

"I am privileged to lead a dedicated team committed to driving positive social change and sustainable development. Our committee, consisting of esteemed directors and guided by the principles of Section 135 of the Companies Act, 2013, ensures the effective implementation of our CSR policy and oversees our impactful initiatives. With a focus on ethical practices, environmental stewardship, and social responsibility, we continuously evaluate and approve strategies, budgets, and plans that align with our commitment to create a meaningful and lasting impact. Through collaboration with GHCL Foundation Trust and rigorous monitoring, we strive to make a difference in the lives of the communities we serve, while upholding our values and principles. Together, we endeavor to build a better future and leave a positive imprint on society."

Anurag Dalmia
Chairman - CSR Committee

TThe Corporate Social Responsibility (CSR) Committee was voluntarily established by the Board of Directors in their meeting on January 28, 2013, and subsequently made mandatory under Section 135 of the Companies Act, 2013. The committee's primary objective is to strengthen and monitor the Company's CSR policy. It meets the criteria set forth in Section 135, which requires the committee to consist of three or more directors, including at least one Independent Director. Mr. Bhuwneshwar Mishra, Vice President – Sustainability & Company Secretary, acts as the Secretary to the Committee.

The Board of Directors, through the CSR Committee, GHCL Foundation Trust, and management, holds the responsibility for overseeing CSR-related activities, including:

- Approving CSR strategies, budgets, plans, and corporate policies.
- Approving the risk management strategy and frameworks for CSR and monitoring their effectiveness.
- Considering the social, ethical, and environmental impact of CSR activities and ensuring compliance with sustainability policies and practices.
- Reviewing the CSR activities undertaken during the financial year.
- Reviewing and modifying the approved budget based on progress reports from GHCL Foundation Trust, as recommended by the CSR Committee.
- Including and modifying CSR activities based on need assessment surveys conducted by independent agencies and impact assessment analysis of CSR activities.
- Empowering the CSR Committee and the Managing Director to take appropriate steps to achieve the CSR goals set by the Board.
- Ensuring respect for human rights throughout the Company's operations and developing frameworks for managing, mitigating, and preventing adverse human rights impacts, if required.
- Reconstituting the CSR Committee as necessary, depending on vacancies.
- Reviewing progress reports of CSR activities.

- Providing directions for the effective implementation of CSR projects.

All CSR activities of GHCL Limited are carried out by a dedicated team within the GHCL Foundation Trust, and their progress is monitored by top management on a monthly basis. These activities are conducted throughout the year, with thematic programs focusing on agriculture and animal husbandry, healthcare, education and vocational training, women empowerment, and more.

During the financial year ended March 31, 2023, the CSR Committee held two meetings on April 28, 2022, and January 13, 2023. The committee consists of six Directors, and the attendance of each Director at the meetings is as follows:

COMPOSITION AND ATTENDANCE OF MEMBERS AT THE CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE MEETING HELD DURING THE FINANCIAL YEAR ENDED MARCH 31, 2023

	Name of the CSR Committee Members					
	Mr. Anurag Dalmia – Chairman of the Committee	Mrs. Vijaylaxmi Joshi (Ex- IAS)	Justice (Retd.) Ravindra Singh	Mr. Neelabh Dalmia	Mr. R S Jalan	Mr. Raman Chopra
Category of Director	Non-Executive Director	Independent Director	Independent Director	Executive Director (Growth & Diversification Projects)	Managing Director	CFO & Executive Director (Finance)
Date of the Meeting						
April 28, 2022	✓	✓	N.A.	✓	✓	✓
January 13, 2023	✓	✓	✓	✓	✓	✓

- In their meeting on April 30, 2022, the Board of Directors reconstituted various committees, including the CSR Committee, and appointed Justice (Retd.) Ravindra Singh as a member of the CSR Committee.

(vi) Risk & Sustainability Committee

"I am honored to lead a distinguished group of directors and executives in overseeing the Company's governance, risk management, and sustainability practices. Our committee is committed to upholding the highest standards of transparency, accountability, and resilience. We have established a comprehensive Risk Management Policy and Framework that enables us to identify, assess, and mitigate risks across all areas of our operations, including financial, operational, sectoral, and sustainability risks. Additionally, we actively promote sustainability, climate change resilience, and environmental stewardship, aligning with global best practices. By proactively managing risks and embracing sustainable practices, we strive to create long-term value for all stakeholders while ensuring the safety and well-being of our employees and the communities we serve."

Arun Kumar Jain

Chairman - Risk & Sustainability Committee

The Risk Management Committee, now known as the "Risk & Sustainability Committee," has been established in accordance with Regulation 21 of the Listing Regulations. This committee plays a vital role in enhancing the Company's governance, risk management, sustainability, and compliance practices.

The composition of the committee aligns with the requirements of Regulation 21, which specifies that the majority of committee members must be directors of the Board. While senior executives of the Company may also be appointed as committee members, the Chairman of the Risk & Sustainability Committee is always a member of the Board of Directors. Mr. Bhuwneshwar Mishra, Vice President – Sustainability & Company Secretary of the Company, serves as the Secretary to the Committee, providing valuable support and coordination.

The Company has developed a comprehensive Risk Management Policy and established a robust Risk Management Framework. This policy outlines the Company's approach to identifying, assessing, and mitigating risks across various areas of operations. By adhering to this framework, the Company ensures that risks are effectively managed, promoting sustainable value creation and safeguarding the interests of stakeholders.

As part of its commitment to transparency, the Risk & Sustainability Committee ensures that the Risk Management Policy is readily accessible to stakeholders. The policy is published on the Company's official website, allowing interested parties to gain insights into the Company's risk management practices and understand the measures taken to address potential risks.

Through the endeavors of the Risk & Sustainability Committee and the implementation of the Risk Management Policy, the Company maintains a proactive and resilient approach to risk management, thereby fostering sustainable growth and creating long-term value for all stakeholders.

The scope of work and /or term of reference of the Risk & Sustainability Committee are as under:

(1) To formulate a detailed risk management policy which shall include:

a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

b. Measures for risk mitigation including systems and processes for internal control of identified risks.

c. Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) To review of appointment, removal and terms of remuneration of the Chief Risk Officer (if any) in line with the SEBI LODR regulations.

(7) Advise sustainable strategy and policy on climate change, health, safety and environment, social and community matters;

(8) Ensure appropriateness of the Sustainability management systems and frameworks.

(9) Ensure effectiveness of the company's external reporting of sustainability performance and its participation in external benchmarking indices.

(10) Ensure that a safe and healthy working environment is a primary objective and is fundamental to the Company's business operations;

(11) Keep upto date with Environmental, Social and Governance (ESG) best practices and thought leadership.

(12) Responsible for the oversight of diversity & inclusion (D&I) matters, people and community engagement and monitoring of corporate culture in support of the company's purpose and values, reporting to the Board on such matters as appropriate.

(13) Balance non-financial targets and commitments with the sustainability strategy with the delivery of financial value for shareholders and other stakeholders.

(14) Monitor and review changes in the company's reputation and its stakeholders expectations on sustainability and ensure the Board is kept appropriately informed;

(15) Bring best practice thinking and ongoing awareness of global developments in sustainability.

(16) Any other activities as per the requirement of the Listing Regulations and /or the Companies Act, 2013 and other applicable provisions or suggested norms, if any.

The Risk & Sustainability Committee diligently carries out these responsibilities to strengthen the Company's risk management practices, promote sustainability, and enhance stakeholder value creation

During the financial year ending on March 31, 2023, the Risk & Sustainability Committee convened two meetings on July 6, 2022, and December 24, 2022. The members of the Risk & Sustainability Committee actively participated in these meetings, contributing to the discussions, recommendations, and actions taken by the committee in fulfilling its responsibilities.

The Risk & sustainability Committee of the Board comprises of following five Directors and the details of meeting attended by the Directors are as follows

COMPOSITION AND ATTENDANCE OF MEMBERS AT THE RISK MANAGEMENT COMMITTEE MEETING HELD DURING THE FINANCIAL YEAR ENDED MARCH 31, 2023

	Name of the Risk Management Committee Members				
	Mr. Arun Kumar Jain (Ex-IRS) – Chairman of the Committee	Mr. Anurag Dalmia	Mr. R S Jalan	Mr. Raman Chopra	Mr. Neelabh Dalmia
Category of Director	Independent Director	Non-Executive Director-Vice Chairman	Managing Director	CFO & Executive Director (Finance)	Executive Director (Growth & Diversification Projects)
Date of the Meeting					
July 6, 2022	✓	✓	✓	✓	✓
December 24, 2022	✓	✓	✓	✓	✓

4. General Body Meeting:

a) Annual General Meetings:

The Company has successfully conducted its last three Annual General Meetings (AGMs) within the statutory time period. The meeting was duly convened and conducted in accordance with the provisions of the Companies Act, 2013. Shareholders were provided with appropriate notice of the meeting, and the agenda items were discussed and voted upon as per the requirements. The minutes of the meeting were duly recorded and maintained. By conducting the AGMs within the statutory time period, the Company demonstrates its commitment to transparent corporate governance practices and ensures effective communication and engagement with its shareholders.:

Financial Year	Date	Time	Venue / Mode
2021-22	June 30, 2022	10.00 A.M.	Through Video Conferencing (VC) or Other Audio Visual Means (OVAM)
2020-21	June 19, 2021	10.00 A.M.	Through Video Conferencing (VC) or Other Audio Visual Means (OVAM)
2019-20	July 6, 2020	9.30 A.M.	Through Video Conferencing (VC) or Other Audio Visual Means (OVAM)

(b) Special Resolutions:

The information regarding Special Resolution passed in the previous three Annual General Meetings are as follows:

AGM	Date of AGM	Information regarding Special Resolutions
39th AGM	June 30, 2022	(a) Approval for re-appointment of Mrs. Vijaylaxmi Joshi (Retd. IAS) as an Independent Director of the Company. (b) Approval for Private placement of Redeemable Non-Convertible Debenture. (c) Alteration of Articles of Association of the Company for adoption of new set of Articles of Association in alignment with the Companies Act, 2013.
38th AGM	June 19, 2021	(c) Approval for re-appointment of Mr. Sanjay Dalmia, Chairman as a Director of the Company, liable to retire by rotation (in line with the requirement of Regulation 17 (1A) of the Listing Regulations). (d) Approval for conversion of loan into equity shares in case company is in default of terms of loan agreement.
37th AGM	July 6, 2020	No Special Resolution

The passing of these Special Resolutions reflects the proactive approach of the Company in addressing key matters related to its directors re-appointments, private placement of Redeemable Non-convertible Debentures, Alteration of AOA and conversion of loan into equity shares in case of exceptional circumstances. These resolutions were crucial for the Company's growth, ensuring its ability to adapt to changing market dynamics and seize opportunities for fund arrangement.

(c) Extraordinary General Meeting (EGM) & NCLT convened Meeting

No Extraordinary General Meeting (EGM) was convened during the last three financial years, namely 2022-23, 2021-22, and 2020-21.

However, in compliance with the direction of the Honorable National Company Law Tribunal (NCLT), separate meetings were conducted via Video Conferencing (VC) or Other Audio-Visual Means (OAVM) on August 18, 2022. These meetings were held for the specific purpose of seeking approval from the Equity Shareholders and Unsecured Creditors of the Company regarding the Scheme of Arrangement, which entailed the demerger of the Spinning division of GHCL Limited to GHCL Textiles Limited.

The virtual meetings provided a platform for shareholders and creditors to participate and exercise their voting rights, ensuring a transparent and inclusive decision-making process. The approval received from the participants at these meetings facilitated the implementation of the demerger scheme, enabling GHCL Limited to streamline its operations and enhance the focus on its core business areas.

The adherence to regulatory directives and the successful conduct of these meetings underscore the Company’s commitment to corporate governance practices and regulatory compliance.

(d) Postal Ballot

During the last financial year (FY 2021-22), the Company successfully passed a Special Resolution through a postal ballot. The resolution pertained to the transfer of the Home Textiles Business of the Company to Indo Count Industries Limited (“ICIL”) through a slump sale on a ‘going concern’ basis. The necessary provisions and requirements concerning the conduct of the postal ballot were diligently complied with.

The transfer of the Home Textiles Business to ICIL via the slump sale allowed the Company to streamline its operations and focus on its core activities. The postal ballot provided an efficient and convenient method for shareholders to participate in the decision-making process and exercise their voting rights.

By ensuring compliance with the relevant regulations and conducting the postal ballot in a transparent and inclusive manner, the Company demonstrated its commitment to upholding strong corporate governance practices. The successful passage of the Special Resolution further highlights the support and confidence of the shareholders in the strategic decision to transfer the Home Textiles Business to ICIL.

(e) Total eight resolutions were passed in the 39th Annual General Meeting. Three were Special Resolutions and other five were Ordinary Resolutions and all the eight resolutions were passed with the requisite majority by combined result of the Remote e-voting and e-voting during the meeting of the shareholders.

5. Means of communication:

PUBLICATION OF UNAUDITED QUARTERLY / HALFYEARLY RESULTS AND RELATED MATTERS							
Sl. No.	**Particulars**		**Quarter - I**	**Quarter – II**	**Quarter - III**	**Quarter - IV**	**Financial Year ended March 31, 2023 (Audited)**
1	English Newspapers in Which quarterly results were published / to be published	The Economic Times (Ahmedabad edition)	July 29, 2022	November 1, 2022	February 1, 2023	April 30, 2023	April 30, 2023
		The Hindu - Business Line	July 29, 2022	November 1, 2022	February 1, 2023	April 30, 2023	April 30, 2023
2	Vernacular Newspapers in which quarterly results were published / to be published	Jai Hind (Gujarati)	July 29, 2022	November 1, 2022	February 1, 2023	April 30, 2023	April 30, 2023
3	Website Address of the Company on which financial results are posted	www.ghcl.co.in					
4	Website Address of the Stock Exchange(s) on which financial results are posted.		**Quarter - I**	**Quarter – II**	**Quarter - III**	**Quarter - IV**	**Financial Year ended March 31, 2023 (Audited)**
	Name of Stock Ex-change(s)	**Website Address**	**Date of Filing of Results**				
	National Stock Exchange of India Limited (NSE)	www.nseindia.com	July 28, 2022	October 31, 2022	January 31, 2023	April 29, 2023	April 29, 2023
	BSE Limited (BSE)	www.bseindia.com	July 28, 2022	October 31, 2022	January 31, 2023	April 29, 2023	April 29, 2023

PUBLICATION OF UNAUDITED QUARTERLY / HALFYEARLY RESULTS AND RELATED MATTERS						
Sl. No.	**Particulars**	**Quarter - I**	**Quarter – II**	**Quarter - III**	**Quarter - IV**	**Financial Year ended March 31, 2023 (Audited)**
5	Presentation made to institutional investors or to the analysts	Throughout the year under review, the Company organized conference calls and/or investor meetings on May 2, 2022, July 28, 2022, October 31, 2022, and January 31, 2023. These sessions provided an opportunity for meaningful discussions between the Company's management, investors, and analysts regarding the financial performance and other pertinent updates concerning the Company's business. In line with our commitment to transparency and effective communication, the Company ensured that copies of the presentations, transcripts, and audio recordings pertaining to these investor conferences and meetings were promptly filed with the relevant Stock Exchanges. Additionally, these materials were made available for access on the Company's official website. By facilitating these interactions and making the associated information readily accessible, the Company aimed to foster an environment of open dialogue and provide investors and analysts with comprehensive insights into the Company's performance and strategic initiatives. This proactive approach in sharing relevant updates and engaging with stakeholders reflects our commitment to maintaining strong investor relations and upholding principles of transparency and accountability.				

6. General shareholder's Information:

GENERAL SHAREHOLDER INFORMATION				
Sl. No.	**Particulars**	**Details**		
1	Annual General Meeting	Saturday, July 1, 2023 (शनिवार, आषाढ़ शुक्ल पक्ष – त्रयोदशी, विक्रम संवत 2080)	10.00 AM	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM), as per the framework issued by the Ministry of Corporate Affairs (MCA) read with applicable circulars.
2	Financial Calendar			
	Financial Reporting for - Quarter - I (ending June 30, 2023)	By 2nd week of August 2023		
	Financial Reporting for - Quarter - II (ending September 30, 2023)	By 2nd week of November 2023		
	Financial Reporting for - Quarter - III (ending December 31, 2023)	By 2nd week of February 2024		
	Financial Reporting for - Quarter - IV (ending March 31, 2024)	By 4th week of May 2024		
	Financial Year of the Company is for a period of 12 months commencing from 1st April and ending on 31st March.			

Corporate Governance

For the Financial Year Ended March 31, 2023
(as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

GENERAL SHAREHOLDER INFORMATION

Sl. No.	Particulars	Details		
3	Record Date / Cut-off Date	Saturday, June 24, 2023		
4	Dividend Payment Date	Dividend of Rs. 17.50 per share i.e. 175% on the paid up equity capital, will be paid on or after Saturday, July 1, 2023, if approved by the members in the ensuing Annual General Meeting		
5	Listing on Stock Exchanges	Name & Address of Stock Exchanges	Stock Code	ISIN WITH NSDL & CDSL
		BSE Limited, (BSE) Phiroze Jeejeebhoy, Dalal Street, Mumbai - 400 001	500171	INE 539 A01019
		National Stock Exchange of India Limited, (NSE) "Exchange Plaza", Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051	GHCL	INE 539 A01019
6	Listing fees:	Listing fee for all the aforesaid Stock Exchanges have been paid for the financial year ended March 31, 2023		
7	Details of Registrar and Share Transfer Agent	Link Intime India Private Limited, C101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400083.Tel No: +91 22 49186270 Fax: +912249186060 (Email : rnt.helpdesk@linkintime.co.in)		

8 **Outstanding GDRs / ADRs / Warrants or any convertible instruments:**

Not applicable

9 **Commodity price risk or foreign exchange risk and hedging activities:**

AAs per the SEBI Circular dated November 15, 2018 read with Clauses 9(n) & 9(g) of Part C to Schedule V of the Listing Regulation, disclosure regarding exposure of the Company to various commodities for the financial year ended on March 31, 2023, is as under:

a. Total exposure of the Company to commodities in INR: 1,034.78 Cr.

b. Exposure of the Company to various commodities:

Commodity Name	Exposure in Rs. Cr.	Exposure in Quantity terms (MT)	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Cotton	685.21	27,492	NIL	NIL	NIL	NIL	NIL
Coal	349.57	1,54,095	NIL	NIL	70%	NIL	70%

GENERAL SHAREHOLDER INFORMATION		
Sl. No.	**Particulars**	**Details**
	c. Commodity risks faced by the listed entity during the year and how they have been managed	The senior management of the Company diligently monitors commodity price risk and foreign exchange risk, taking necessary steps to mitigate these risks based on expert advice. Here are the specific measures taken: 1. **Coal –** As coal is a crucial fuel for our Soda Ash plant, the Company procures a desired quantity of high-grade Indonesian coal through long-term supply contracts. However, global geopolitical developments have led to drastic increases in coal and energy prices. To mitigate input costs while maintaining quality, we have diversified our procurement strategy by also sourcing Russian coal. We adopt a gradual sourcing approach throughout the year and maintain appropriate inventory levels. 2. **Limestone –** Limestone is a vital raw material for Soda Ash production. The Company procures limestone from both domestic and international markets, ensuring access to the required quantity at competitive prices. To further mitigate sourcing risks, we are exploring additional suppliers in different countries to diversify our sourcing base. 3. **Anthracite –** Sourcing disruption and price volatility were observed in the anthracite market, mainly sourced from Russia. However, the Company takes proactive measures to address these challenges. We plan in advance, build inventory, and actively manage logistics to mitigate the impact. Additionally, we have sourced domestic Met Coke as an alternative to anthracite. 4. **Cotton –** Cotton prices remained volatile during the year, with severe increases followed by corrections. Ensuring availability of good quality cotton throughout the year poses a significant risk. To mitigate this risk, we develop an annual cotton purchase plan and constantly analyze market trends, intelligence, and reports. We allocate sufficient working capital to procure quality cotton during the harvesting season. Our procurement strategy focuses on purchasing the right quality from the right place at the right price, enabling us to navigate various market cycles in the past. To effectively manage commodity price risk and its mitigation, the management has developed and implemented a robust risk management strategy. This strategy encompasses proactive measures to monitor and address price fluctuations, explore alternative sourcing options, maintain appropriate inventory levels, and optimize logistics. By enacting these risk management practices, the Company aims to mitigate the impact of commodity price volatility and ensure a stable supply chain for its operations.

Foreign Exchange risk & Hedging Activities by the Company for the FY 2022-23:

The Company has established institutionalized arrangements for conducting monthly operational reviews and quarterly reviews of forex exposures related to imports, exports, and foreign currency transactions and liabilities (FTCL). These reviews are conducted by the top management to effectively manage and mitigate exchange risk.:

GENERAL SHAREHOLDER INFORMATION		
Sl. No.	Particulars	Details
	Export Exposures	The Company has implemented a forward cover strategy for managing its exchange rate risk. The strategy involves hedging only 50% of the firm export receivables for the next three months: By hedging 50% of the firm export receivables, the Company aims to mitigate potential losses resulting from adverse exchange rate movements for a portion of its export proceeds. This provides a level of certainty and stability in terms of the exchange rate for a significant portion of its export earnings. For the remaining balance of export proceeds, the Company chooses not to hedge and instead converts them at the prevailing exchange rate. This approach allows the Company to benefit from any favourable exchange rate movements during the conversion period. The decision to hedge only a portion of the firm export receivables and leave the remaining balance unhedged is based on the Company's assessment of the risk-reward trade-off and its understanding of the currency market dynamics. It allows the Company to strike a balance between managing its exchange rate risk and potentially capitalizing on favourable currency movements. By adopting this forward cover strategy, the Company aims to optimize its foreign exchange operations, minimize potential losses, and maximize its overall export proceeds by taking advantage of favorable exchange rate fluctuations. The strategy reflects a prudent approach to managing currency risk while maintaining flexibility to adapt to market conditions
	Import Exposures - Raw materials	GHCL hedges its import exposures by regularly taking a forward cover for payables due in the next two months. This strategy helps mitigate the impact of exchange rate fluctuations on import payments, ensuring stability and cost management for the company.
	Import Exposures – Capital Goods	GHCL adopts a comprehensive risk management approach for capital goods import payments. Upon receipt of import documents and submission of acceptance to the bank, the company takes 100% forward cover to hedge against exchange rate fluctuations. This proactive measure ensures stability and minimizes potential financial risks associated with capital goods imports..
	FTCL / FCNRB Exposures	As a standard policy, GHCL proactively manages its foreign currency loans by taking forward cover for the repayment obligations of Foreign Currency Term Loan (FTCL) and Foreign Currency Non-Resident Bank (FCNRB) deposits due within the next 2 months. This approach ensures that the company mitigates exchange rate risks and maintains stability in its financial obligations.

GENERAL SHAREHOLDER INFORMATION		
Sl. No.	Particulars	Details
10	**Address for Correspondence** The Company has established a streamlined Share Transfer System, facilitated through its Registrar & Share Transfer Agent (RTA), to ensure efficient processing of share transfers and other related shareholder services. Share transfers in physical form are registered within a period of 15 days from the date of receipt, subject to the completeness of the submitted documents. Moreover, the Company offers the convenience of simultaneous transfer and dematerialization of equity shares, adhering to the procedures prescribed by NSDL/CDSL. For any assistance concerning dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or annual report, or any other query related to shares, shareholders are encouraged to reach out to Link Intime India Private Limited. They can be contacted at C101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai 400083. Telephone number: +91 22 49186270, Fax number: +91 22 49186060, and Email: rnt.helpdesk@linkintime.co.in. The Company ensures prompt and reliable support for addressing shareholder queries and concerns in a timely manner For General Correspondence: **GHCL Limited, "GHCL House" Opp. Punjabi Hall, Navrangpura, Ahmedabad - 380 009. Phone : 079 -26427818/26442677, 079-39324100, Fax: 079-26423623 (Email : secretarial@ghcl.co.in)**	
11	A significant proportion of the Company's equity shares, specifically 97.93% representing 9,36,07,002 equity shares, were held in dematerialized form as of March 31, 2023. This indicates a strong trend towards dematerialization, wherein shareholders hold their shares electronically in a demat account rather than in physical certificate form. The total paid-up capital of the Company as of March 31, 2023, amounts to 9,55,85,786 equity shares with a face value of Rs. 10 each. To enhance market efficiency and facilitate seamless trading and in compliance of SEBI notification dated October 28, 2000, the Company has implemented a policy mandating trading in its shares only in dematerialized form. By promoting dematerialization, the Company aims to enhance liquidity, streamline share transactions, and provide shareholders with a convenient and secure means of holding and trading their shares	
12	As per Regulation 36(3) of the Listing Regulations, the Notice to the Annual General Meeting contains detailed particulars of the Directors seeking appointment/reappointment. This includes their qualifications, experience, expertise, directorships held in other companies, shareholdings in the Company, and any relationships or transactions with the Company. This information allows shareholders to make informed decisions regarding the appointment or reappointment of Directors.	

Corporate Governance

For the Financial Year Ended March 31, 2023
(as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

7. Corporate Benefits to Shareholders

Dividend declared for last 10 years		
Financial Year	Dividend	Dividend (Rs. per Share)
2012-13	20.00%	2.00
2013-14	20.00%	2.00
2014-15	22.00%	2.20
2015-16	35.00%	3.50
2016-17	50.00%	5.00*
2017-18	50.00%	5.00
2018-19	50.00%	5.00
2019-20	30.00%	3.00**
2020-21	55.00%	5.50
2021-22	150.00%	15.00***

*Interim dividend @ Rs.1.50 per share & Final dividend @ Rs. 3.50 per share.

**Interim Dividend @ Rs. 3.00 per share.

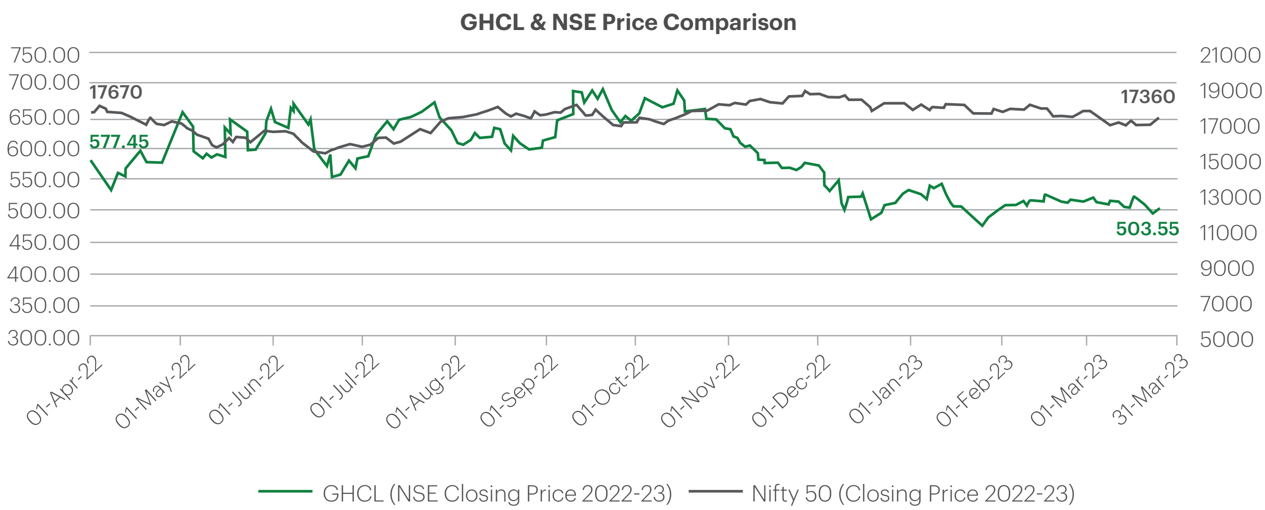
***Dividend @ Rs. 15.00 per share (comprises of regular dividend of Rs. 10 per share and special dividend of Rs. 5 per share).

Equity share of paid up value of Rs. 10 per share.

8. Month-wise stock market data (BSE & NSE) relating to equity shares of the company for the financial year ended March 31, 2023

MARKET PRICE DATA						
Month of the financial year 2022-23	BSE, MUMBAI			NSE, MUMBAI		
	Share Price		Traded Quantity	Share Price		Traded Quantity
	High	Low		High	Low	
April 2022	630.50	527.00	10,19,781	631.25	525.15	1,20,13,417
May 2022	682.20	542.00	14,37,072	682.00	541.30	2,17,29,889
June 2022	686.65	545.90	6,43,673	686.90	546.10	94,45,824
July 2022	695.10	556.65	8,06,565	695.60	558.55	95,86,564
August 2022	651.40	582.45	6,35,223	650.20	585.00	83,36,855
September 2022	709.00	596.00	11,66,597	708.80	596.45	1,52,53,243
October 2022	695.30	634.05	7,23,061	696.10	635.00	55,34,422
November 2022	659.65	560.05	4,19,137	659.40	560.15	62,81,101
December 2022	580.05	480.05	6,14,694	582.60	480.00	91,42,310
January 2023	552.00	464.90	3,85,280	552.20	464.15	50,92,947
February 2023	530.95	480.00	4,01,616	531.00	482.25	38,11,575
March 2023	527.40	492.60	2,97,122	528.60	488.00	64,53,896

9. Performance in comparison to broad based indices such as NSE



Date	Nifty 50 (Closing Price 2022-23)	GHCL (NSE Closing Price 2022-23)
01-Apr-22	17670.45	577.45
29-Apr-22	17102.55	619.25
31-May-22	16584.55	647.75
30-Jun-22	15780.25	564.65
29-Jul-22	17158.25	644.10
30-Aug-22	17759.30	598.15
30-Sep-22	17094.35	649.75
31-Oct-22	18012.20	646.55
30-Nov-22	18758.35	577.50
30-Dec-22	18105.30	510.40
31-Jan-23	17662.15	491.45
28-Feb-23	17303.95	514.60
31-Mar-23	17359.75	503.55
Change since April 1, 2022	(1.8)%	(12.8)%

10. Shareholders Reference

Unclaimed Dividend

In accordance with Section 124 of the Companies Act, 2013 and the Investors Education & Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules 2016, any shares on which dividends have not been claimed by shareholders for seven consecutive years or more have been transferred to the Investor Education and Protection Fund (IEPF). This includes unclaimed dividends for the financial year 2014-15.

The Company has individually communicated with the concerned shareholders whose shares were eligible for transfer to the IEPF. Prior to the transfer, the Company also published newspaper advertisements and uploaded details of the transferred shares and unclaimed dividends on its website at www.ghcl.co.in.

Shareholders should be aware that both the unclaimed dividends and the corresponding shares transferred to the IEPF Authority, along with any benefits accruing on such shares, can be claimed back by following the prescribed procedure. Shareholders can claim their shares/dividends by submitting an application in E-form No. IEPF-5, as outlined in Rule 7 of the aforementioned Rules.

For shareholders who have not yet encashed their dividend warrants or have not received them, it is advised to request the issuance of duplicate warrants by contacting Link Intime India Private Limited and confirming the non-encashment or non-receipt of the dividend warrants.

The Company will continue to transfer unclaimed dividends according to the schedule provided below. Shareholders are encouraged to promptly take necessary action if they have not yet encashed their dividend warrants or have not received them.

Please refer to Rule 7 of the mentioned Rules for further information on the refund process for shares, dividends, and other related matters

Financial Year	Date of Meeting	Due for Transfer to IEPF
2015-16	19-07-2016	July 2023
2016-17 (Interim Dividend)	31-01-2017	January 2024
2016-17 (Final Dividend)	29-06-2017	June 2024
2017-18	31-05-2018	May 2025
2018-19	30-05-2019	May 2026
2019-20 (Interim Dividend)	15-03-2020	March 2027
2020-21	19-06-2021	June 2028
2021-22	30-06-2022	June 2029

DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH 2023

No. of Shares held of Rs. 10 each between		No. of shareholders	% of total shareholders	No. of shares	% of total shares
From	To				
1	500	88093	92.87%	7713037	8.07%
501	1000	3436	3.62%	2799995	2.93%
1001	2000	1545	1.63%	2379569	2.49%
2001	3000	515	0.54%	1315905	1.38%
3001	4000	232	0.25%	835991	0.87%
4001	5000	218	0.23%	1022583	1.07%
5001	10000	312	0.33%	2306211	2.41%
10001	Above	505	0.53%	77212495	80.78%
		94856	**100.00%**	**95585786**	**100.00**

SHAREHOLDING PATTERN AS ON 31ST MARCH 2023

	Category	No. of shareholders	% of shareholding
A	**Promoters & Promoters Group Holding**		
1	**Promoters**		
	Indian Promoters	12702635	13.29%
	Foreign Promoters	5507900	5.76%
2	**Others**	0	0.00%
	Sub-Total	**18210535**	**19.05%**
B	**Non-promoters Holding**		
3	**Institutional Investors**		
	Mutual Funds	9478708	9.91%
	Banks, Financial Institutions	7004	0.007%
	NBFC registered with RBI	1250	0.001%
	Insurance Companies (including LICI ASM Non Par)	741598	0.77%
	Foreign Portfolio Investors (including FIIs)	23982117	25.09%
	Alternate Investment Funds	82506	0.086%
	Sub-Total	**34293183**	**35.86%**
4	**Non-institutional Investors**		
	Bodies Corporate	14980317	15.67%
	Indian public (Individuals & HUF)	23034564	24.08%
	NRIs & Foreign Companies	1542288	1.62%
	Government Companies (i.e. IEPF)	1090766	1.14%
	Other Directors & relatives	650100	0.68%
	KMP	35000	0.036%
	Others (Trusts ,Clearing Members, Body Corp-Ltd Liability Partnership and Central & State Government)	1749033	1.82%
	Sub-Total	**43082068**	**45.05%**
	Grand Total	**95585786**	**100.00%**

Plant Locations:

Inorganic Chemical Division:	
Soda Ash Plant:	Village: Sutrapada Near Veraval, Distt.: Gir Somnath, Gujarat – 362275
Salt works:	Port Albert Victor, Via Dungar, Distt.: Amreli, Gujarat – 364555
Lignite Mines:	713/B, Deri Road, Near Diamond Chowk, Krishnanagar, Bhavnagar, Gujarat - 364001
Limestone Mines:	GHCL Limited, Sutrapada, Dist.: Gir Somnath, Gujarat (Mines in Harnasa, Nakhda, Bhimdeol, Dhamanva & Gabha)
Consumer Products Division - Salt Works & Refinery:	(a) Kadinal Vayal, Vedaranyam, Distt. Nagapattanam, Tamil Nadu – 614707 (b) Nemeli Road, Thiruporur, Distt.: Kancheepuram, Tamilnadu – 603110
Textile Division*:	
Plant – Yarn Division:	(a) Paravai, Samayanallur P.O, Distt.: Madurai, Tamil Nadu – 625402 (b) Thiagesar Alai P.O, Manaparai, Distt.: Trichy, Tamil Nadu – 621312
Wind Energy Division	(a) Muppandal, Village: Irukkandurai, Post: Sankaneri, Taluk: Radhapuram, Distt.: Tirunelveli, Tamil Nadu (b) Village: Chinnaputhur, Taluk: Dharapuram, Distt.: Erode, Tamil Nadu (c) Village: Kayathar, Distt.: Tuticorin, Tamilnadu.

**Keeping in view of the Demerger of Spinning division, which is effective from April 1, 2023, Yarn / Spinning Business (including Wind energy) of the Company situated in Tamil Nadu, have been controlled by GHCL Textiles Limited and ownership of GHCL Limited has been ceased.*

Corporate Governance

For the Financial Year Ended March 31, 2023

(as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

11. List of all Credit Ratings (along with revisions) obtained by the Company during the financial year ended March 31, 2023:

Complete details on the Credit Ratings obtained by the Company during the financial year ended March 31, 2023, are available in the Board's Report under the finance section. The Board's Report provides comprehensive information regarding the credit ratings received by the Company, including the agencies involved, the specific ratings assigned, and any corresponding outlook or comments provided by the rating agencies. Shareholders and stakeholders are encouraged to refer to the Board's Report for a detailed overview of the Company's credit ratings and their significance.

12. Management Discussion and Analysis Report form part of this Annual Report

The Annual Report features a separate section dedicated to the Management Discussion and Analysis (MD&A) report. It provides a comprehensive analysis of the Company's performance, market trends, and strategic initiatives. The MD&A report offers valuable insights for shareholders and stakeholders, enhancing transparency and understanding of the Company's operations.

13. Disclosures:

13.1 Disclosure on materially significant related party transactions

The Company has diligently ensured that no transactions of a material nature have been entered into with its promoters, Directors, or management, or their relatives that could potentially create a conflict of interest. To maintain transparency, the management provides details of related party transactions on a quarterly basis, following the guidelines of Ind-AS. The Annual Report contains comprehensive information on the transactions between the Company and related parties, which are disclosed in the notes to the accounts. It is important to note that these transactions do not pose any conflicts with the Company's interests.

13.2 Details of non - compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on the matter related to capital markets, during the last three years.

GHCL Limited takes pride in its exceptional track record of complying with statutory requirements and is fully committed to upholding governance standards, ensuring compliance, and safeguarding the interests of its stakeholders. The Company has diligently fulfilled all regulatory obligations without any lapses. Furthermore, during the current year (2022-23), GHCL Limited has not incurred any penalties or faced any strictures from Stock Exchanges, SEBI, or any other statutory authority concerning capital market-related matters.

Regarding the demerger of the spinning division of the Company and the disclosure made in the previous Annual Report, GHCL Limited would like to provide an update. Pursuant to the undertaking submitted to NSE and in accordance with NSE's guidance, it is important to note that a case filed against Golden Tobacco Limited and its then director, Mr. Anurag Dalmia, underwent thorough verification. Subsequently, the summoning order issued by Tis Hazari Court was challenged before the Hon'ble High Court of Delhi, and it was ultimately quashed. No further summon was issued against Golden Tobacco Limited and its directors. Therefore, it can be concluded that the aforementioned case has been dropped concerning Golden Tobacco Limited and its then director, Mr. Anurag Dalmia.

13.3 Vigil mechanism / Whistle Blower Policy

GHCL Limited is committed to conducting its business in a fair, transparent, and ethical manner. In accordance with Regulation 22 of the Listing Regulations and relevant sections of the Companies Act, the Company has established a robust vigil mechanism known as the "Whistle Blower Policy." This policy enables directors, employees, and other stakeholders to confidentially report any instances of unethical behavior, suspected or actual fraud, or violations of GHCL's code of conduct or ethics policy.

The Whistle Blower Policy, which became effective on October 1, 2014, reflects the Company's dedication to providing a secure and fearless working environment for its employees. The policy has been communicated across the organization and is readily accessible on the Company's website.

Under this policy, individuals can report their concerns to designated authorities, including the Managing Director (Mr. R S Jalan), Ombudsperson (Mr. Arun Kumar Jain, an independent director), Whistle Officer (Mr. Bhuwneshwar Mishra - Compliance Officer), or the Whistle Committee. The purpose of the Whistle Blower Policy is to encourage a culture of integrity and accountability, ensuring that any reported concerns are promptly addressed and appropriate actions are taken.

GHCL Limited remains dedicated to upholding the highest standards of professionalism, honesty, integrity, and ethical behavior throughout its operations. The Whistle Blower Policy serves as a vital tool in maintaining a vigilant and transparent organization.

The details of person with whom complaints can be filed:

Mr. Arun Kumar Jain
Independent Director and Ombudsman for Whistle Blower Policy
Email: akjaincit@gmail.com
Mobile No: 9428511559
Address: B-802, Prateek Stylome, Sector - 45, Noida – 201301

Mr. R S Jalan
Managing Director – GHCL Limited
Email: rsjalan@ghcl.co.in

Mr. Bhuwneshwar Mishra – Vice President - Sustainability & Company Secretary
Email: bmishra@ghcl.co.in

In exceptional cases where the Whistle Blower is dissatisfied with the outcome of the investigation and decision, they have the option to make a direct appeal to the Chairman of the Audit & Compliance Committee. This ensures an additional level of accountability and strengthens the existing reporting system under the Vigil Mechanism.

To enhance the effectiveness of the reporting system, the Company has successfully introduced an online platform for reporting Whistle Blower-related issues in the prescribed format. This initiative aligns with the requirements of Schedule V of the Listing Regulations. It is important to note that no personnel have been denied access to the Audit & Compliance Committee of the Company, as mandated.

It is noteworthy that during the year, the Company has not received any complaints under the Vigil Mechanism or Whistle Blower Policy. This reflects the commitment of GHCL Limited to maintaining a positive and transparent work environment, where employees feel secure in reporting any concerns related to unethical behavior, fraud, or violations of the Company's code of conduct. The Company remains dedicated to upholding the highest standards of governance and protecting the interests of its stakeholders

13.4 Disclosures regarding web link of the Company

Policy for determining material subsidiaries and RPT Policy on materiality and dealing with related party of the Company are posted on the Company's website (URL:https://www.ghcl.co.in/code-of-conduct).

13.5 Details of compliance with mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and adoption of the non- mandatory requirements of Regulation 27(1) of the Listing Regulations.

The Company diligently adheres to all mandatory provisions of Corporate Governance as prescribed by the Listing Regulations and other applicable provisions. Furthermore, the Company is committed to maintaining compliance with non-mandatory requirements outlined in Regulation 27(1) in conjunction with Part E of Schedule II of the Listing Regulations. By doing so, the Company aims to foster a strong corporate governance framework that ensures transparency, accountability, and protection of stakeholders' interests.:

(a) **Non-Executive Chairman's Office:**: A non-executive Chairman may be entitled to maintain a Chairman's office at the company's expense and also allowed reimbursement of expenses incurred in performance of his / her duties. The Company is having non-executive Chairman. The Company does not incur expenses for maintaining Chairman's office.

(b) **Shareholders' Rights:** The Company is committed to ensuring transparency and timely communication with its shareholders and stakeholders regarding its financial performance and significant events. In line with this commitment, the Company publishes its half-yearly (including quarterly) financial performance in newspapers, providing wider access to this information. These financial updates are also promptly posted on the Company's website, allowing shareholders and other interested parties to access the information easily.

To further enhance communication, the Company has implemented a mass email service to distribute the quarterly results and statements of the Managing Director (MD) and Chief Financial Officer (CFO) to shareholders holding 50 shares or more. This ensures that shareholders receive the relevant financial updates directly in their inboxes, facilitating convenient access to the Company's performance updates and insights from key management personnel.

Furthermore, the Company diligently reports significant events to the stock exchanges in a timely manner, as required by regulatory obligations. This proactive approach to disclosure ensures that shareholders and the market are promptly informed about material developments that may impact the Company's operations or financial position.

By leveraging multiple communication channels, including newspaper publications, website postings, mass email services, and stock exchange notifications, the Company strives to provide comprehensive and accessible information to its shareholders, promoting transparency and fostering trust among its stakeholders.

(c) **Audit Qualifications:** GHCL maintains unqualified financial statements, demonstrating its commitment to best practices in financial reporting. Through rigorous internal controls and transparent processes, the Company ensures accuracy and reliability in its financial statements. This reflects GHCL's dedication to sound corporate governance and reinforces trust among shareholders and stakeholders.

(d) **Reporting of Internal Auditor:** GHCL has engaged independent Internal Auditors for each division, ensuring a robust internal audit function. The Internal Auditors submit their reports to the CFO or the designated authority responsible for this purpose. These reports are then shared with the members of the Audit & Compliance Committee for their review and assessment. This practice enhances the effectiveness of internal controls and risk management across the organization, contributing to strong corporate governance.

13.6 Details of utilization of funds raised through preferential allotment or qualified institutional placement (QIP) as specified under regulation 32(7A).

This clause is not applicable to the Company as the Company has not raised any funds through preferential allotment and /or QIP..

13.7 Certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board / Ministry of Corporate Affairs or any such statutory authority.

GHCL has obtained a certificate from M/s Chandrasekaran Associates, Company Secretaries, who serve as the Secretarial Auditor of the Company. The certificate confirms that none of the directors on the board of the Company have been debarred or disqualified from holding directorship by SEBI, Ministry of Corporate Affairs, or any other relevant statutory authority. This certificate is attached as an annexure to this Report, further demonstrating the Company's commitment to upholding corporate governance standards and ensuring the suitability and eligibility of its directors.

13.8 Total fees for all services paid by GHCL Limited and its subsidiaries, on a consolidated basis, to S. R. Batliboi & Co. LLP and other firms in the network entity of which the statutory auditor is a part, as included in the consolidated financial statements of the Company for the year ended March 31, 2023, is as follows:

	Amount (INR in Crore)
Fees to S.R. Batliboi & Co LLP: Audit fee	1.32
Other services	0.18
Fees for Other related services paid to S.R. Batliboi & Affiliates firms and to entities of the network of which the statutory auditor is a part	0.19
Out of Pocket Expenses	0.05
Total Fees	**1.74**

13.9 The disclosures of the compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015.

GHCL is fully compliant with the corporate governance requirements outlined in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI

(LODR) Regulations, 2015. The Company adheres to these regulations to ensure transparency, accountability, and the protection of stakeholders' interests. By complying with these governance standards, GHCL maintains a strong foundation of corporate governance practices that contribute to its overall success

13.10 The disclosure about Directors and Officers (D & O) Liability Insurance in line with the requirement of Regulation 25 (10) of the SEBI (LODR) Regulations, 2015.

GHCL fully complies with SEBI (LODR) Regulations, 2015, ensuring transparent and accountable corporate governance practices. This adherence safeguards stakeholders' interests and contributes to the company's overall success..

14. Code of Conduct to Regulate, Monitor And Report Trading by Insiders

In compliance with SEBI regulations on prevention of insider trading, GHCL has implemented a comprehensive code of conduct for promoters, directors, designated employees, and their immediate relatives. The code provides guidelines on procedures, disclosures, and the consequences of violations when dealing with the company's shares. Additionally, GHCL has adopted an automated tracking system to monitor insider trading, generating reports and sending reminders to employees about prohibited transactions.

The company has also established policies for handling leaks of unpublished price-sensitive information (UPSI) and determining legitimate purposes. The Code of Corporate Disclosure Practices and the Policy for Determination of Legitimate Purposes are readily available on the company's website. To ensure compliance, GHCL maintains a structured digital database (SDD) internally, capturing all relevant details pertaining to UPSI.

Furthermore, GHCL has proactively taken measures to strengthen its insider trading prohibition framework and meet regulatory requirements. These efforts demonstrate the company's commitment to maintaining a robust system that prevents insider trading in its securities.

15. Code of Conduct:

GHCL Limited has a robust policy framework that guides the ethical and professional conduct of its Board Members and Senior Management. The Code of Conduct encompasses both fundamental ethical considerations and specific guidelines for professional behavior. The company ensures compliance with this code, as stated in the Annual Report, by the Board Members and Senior Management.

In addition to the aforementioned policy, GHCL Limited has also adopted a "Code of Conduct for employees and other stakeholders." This code sets the highest standards for personal and professional integrity, honesty, and ethical conduct, guiding employees and stakeholders in their actions.

The Code of Conduct is readily accessible on the company's website at https://www.ghcl.co.in/code-of-conduct allowing stakeholders to familiarize themselves with its principles and guidelines.

16. CEO/CFO Certification

The Managing Director and Chief Financial Officer of GHCL Limited have fulfilled their responsibility of providing annual certification on financial reporting and internal controls to the Board, as mandated by Regulation 17(8) of the Listing Regulations. This certification affirms the company's commitment to maintaining accurate and reliable financial information and ensuring effective internal controls.

Similarly, in compliance with Regulation 33(2) of the Listing Regulations, the Managing Director and Chief Financial Officer have jointly issued quarterly certifications on the financial results. These certifications accompany the presentation of the financial results to the Board, reinforcing the accuracy and reliability of the reported financial information.

Through these certifications, GHCL Limited demonstrates its dedication to upholding high standards of financial reporting and internal controls, ensuring transparency and accountability in its operations.

17. Functional website of the Company as per Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

GHCL Limited complies with Regulation 46 of the Listing Regulations by maintaining an active and informative website for the Company. The official website, accessible at www.ghcl.co.in, serves as a reliable source of essential information about the Company, including details about its business, financial information, various policies, shareholding pattern, and other relevant information for shareholders.

Corporate Governance

For the Financial Year Ended March 31, 2023

(as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

The Company recognizes the importance of keeping its website up to date and regularly updates the information provided on the website. By doing so, GHCL ensures that shareholders and other stakeholders have easy access to accurate and current information about the Company's operations and performance.

The Company's website serves as a valuable resource for shareholders to stay informed about GHCL's activities, enabling them to make well-informed decisions. By maintaining a functional and regularly updated website, GHCL demonstrates its commitment to transparency and providing convenient access to relevant information for the benefit of its stakeholders.

18. Share Capital & Reconciliation of Share Capital Audit

A qualified practicing Company Secretary conducts quarterly audits to reconcile the Company's total admitted capital with National Securities Depositories Limited (NSDL) and Central Depositories Services (India) Limited (CDSL), as well as the total issued and listed capital. The purpose of this audit is to ensure that the total issued/paid-up capital aligns with the combined number of shares in physical form and the number of dematerialized shares held with NSDL and CDSL.

These audits are performed to validate and confirm the accuracy of the Company's capital structure, ensuring that the recorded capital matches the shares held in both physical and dematerialized form. By conducting these audits, the Company maintains transparency and accountability in its capital management processes.

The qualified practicing Company Secretary's audit provides assurance that the Company's total admitted capital is in accordance with the aggregate number of shares in physical form and dematerialized shares held with NSDL and CDSL. This diligent process helps to maintain accurate records and inculcates confidence among stakeholders regarding the Company's capital position.

19. Compliance Management System

Compliance is a top priority for GHCL Limited. We believe in conducting business legally and ethically, and our actions reflect our commitment to these principles. To ensure comprehensive compliance, we have implemented an online Compliance Management System that monitors adherence to applicable laws. The Board regularly reviews compliance reports to uphold our robust compliance framework. By prioritizing compliance, we foster trust among stakeholders and promote sustainable growth.

DECLARATION

The Board has laid down a code of conduct for all Board Members and Senior Management of the Company, which is posted on the Website of the Company. The Board Members and Senior Management Personnel have affirmed to the compliance with the Code of Conduct for the financial year ended March 31, 2023. Name of Mr. R S Jalan and Mr. Raman Chopra with designation and DIN number and date should be inserted just below declaration. They are not certifying all the CG report, they are only certifying Declaration hence name should be immediately below the declaration.

For **GHCL Limited**

R S Jalan	Raman Chopra
Managing Director	CFO & Executive Director (Finance)
DIN: 00121260	DIN: 00954190

Date: April 29, 2023

Certificate under Regulation 17 (8) of the SEBI (LODR) Regulations, 2015

The Board of Directors
GHCL Ltd.

We the undersigned certify to the Board that:

(a) We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2023 and that to the best of our knowledge and belief : :

  (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit and Compliance committee-

  (i) significant changes in internal control over financial reporting during the year;

  (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

  (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For **GHCL Limited**

R S Jalan	Raman Chopra
Managing Director	CFO & Executive Director (Finance)
DIN: 00121260	DIN: 00954190

Date: April 29, 2023

Certificate of Non-Disqualification of directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
GHCL Limited
GHCL House
Opp. Punjabi Hallnavrangpura
Ahmedabad, Gujrat-380009

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of GHCL Limited and having CIN L24100GJ1983PLC006513 and having registered office at GHCL House Opp. Punjabi Hallnavrangpura, Ahmedabad, Gujarat-380009 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and declarations received from respective Directors, We hereby certify that as on Financial Year ended on March 31, 2023 none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Name of Director	DIN	Original Date of appointment in Company
Sanjay Dalmia	00206992	20/10/1983
Anurag Dalmia	00120710	19/04/1986
Manoj Vaish	00157082	01/04/2019
Vijay Laxmi Joshi	00032055	20/04/2017
Arun Kumar Jain	07563704	01/04/2019
Ravindra Singh	08344852	01/04/2019
Lavanya Rastogi	01744049	24/11/2014
Ravi Shanker Jalan	00121260	24/09/2002
Raman Chopra	00954190	12/09/2008
Neelabh Dalmia	00121760	20/07/2005

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644E000205529

Date: April 27, 2023
Place; Delhi

Secretarial Audit Report

For the Financial Year ended March 31, 2023

The Members
GHCL Limited
GHCL House
Opp. Punjabi Hall Navrangpura
Ahmedabad, Gujarat 380009

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by GHCL Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 ('Period under review') according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 prior to its repealment;

   (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not Applicable during the year under review.

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not Applicable during the year under review.

   (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; Not Applicable during the period under review.

(vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on the Sectors/ Industry are:

   (a) Food Safety and Standards Act, 2006, rules and regulations thereunder and;

   (b) Legal Metrology Act, 2009 and rules and regulations thereunder.

Secretarial Audit Report

For the Financial Year ended March 31, 2023

We have also examined compliance with the applicable clauses/Regulations of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance except in cases where meetings were convened at a shorter notice. The Company has complied with the provisions of Act for convening meeting at the shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules and regulations and guidelines.

We further report that during the audit period following major event has happened which is deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

(i) The Scheme of Arrangement consisting of demerger of the Spinning Business of the Company (i.e. Demerged Company) to its wholly owned subsidiary i.e GHCL Textiles Limited (i.e. Resulting Company), has been approved by the Hon'ble National Company Law Tribunal, Ahmedabad (NCLT) vide its order dated February 8, 2023 and certified copy of the Order was received on March 14, 2023.

For **Chandrasekaran Associates**
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: 1428/2021

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644E000205804

Date: April 27, 2023
Place; Delhi

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

Annexure - A

The Members
GHCL Limited
GHCL House
Opp. Punjabi Hall Navrangpura
Ahmedabad, Gujarat 380009

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644E000205804

Date: April 27, 2023
Place; Delhi

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of
GHCL Limited
GHCL House, Opp: Punjabi Hall, Navrangpura
Ahmedabad 380009

1. The Corporate Governance Report prepared by GHCL Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") for the year ended March 31, 2023 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

i. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria.

ii. Summary of procedures performed include:

iii. Read and understood the information prepared by the Company and included in its Corporate Governance Report;

iv. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;

v. Obtained and read the Register of Directors as on March 31, 2023 and verified that at least one independent woman director was on the Board of Directors throughout the year;

vi. Obtained and read the minutes of the following meetings of Board of Directors / committee meetings / other meetings held from April 1, 2022 to March 31, 2023:

  - Board of Directors;
  - Audit Committee;
  - Annual General Meeting (AGM);
  - Nomination and Remuneration Committee;
  - Stakeholders Relationship Committee;
  - Risk Management Committee
  - Banking & Operations Committee
  - Separate Meeting of Independent Directors
  - CSR Committee

vii. Obtained necessary declarations from the directors of the Company.

viii. Obtained and read the policy adopted by the Company for related party transactions.

ix. Obtained the schedule of related party transactions during the year and balances at the year- end.

x. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

xi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

7. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

8. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2023, referred to in paragraph 4 above.

Other matters and Restriction on Use

9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 23095169BGXZYG5690
Place of Signature: Gurugram
Date: April 29, 2023

Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of GHCL Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of GHCL Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information in which are included the financial statements of GHCL Employees Stock Option Trust which has been audited by other auditors for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements and on the other financial information of the GHCL Employees Stock Option Trust, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements

Emphasis of Matters

a. Restatement of financial statements

We draw attention to Note 48 to the standalone financial statements which describes the impact of the restatement related to the non-recognition of deferred tax liabilities on revaluation of land, buildings and certain property, plant and equipment and the reclassification of amount of freight recovered from customers from "Other Expenses" to "Revenue from Operations".

b. Demerger Accounting

We draw attention to Note 45B to the standalone financial statements, which indicates that the demerger would be accounted on the Appointed date mentioned in the Scheme of Arrangement i.e. date of filing of certified true copy of the NCLT order along with the sanctioned Scheme with the Registrar of Company, instead of accounting of demerger in the current year since, as per applicable Indian Accounting Standards prescribed under Section 133 of the Act, the substantial conditions relating to transfer of demerged undertaking were met during the current year. Accordingly, no accounting treatment in respect of the demerger have been carried out in these financial statements, as the approved Scheme would prevail over the applicable Indian Accounting Standards.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matter	How our audit addressed the key audit matter
Discontinued Operations and Asset held for sale in relation to Demerger of Spinning Division Refer Note 45	
During the previous year, the Company had filed a scheme of arrangement before the National Company Law Tribunal ('NCLT'), Ahmedabad bench, which is in the nature of demerger of its Spinning Division to GHCL Textiles Limited, its wholly owned subsidiary. The Company has filed the NCLT approved scheme with the Registrar of Companies on April 01, 2023 ('the appointed date'). As at March 31, 2023, the Company has presented the operations of its Spinning Division as "Discontinued Operations" and its related assets as "Assets held for distribution" and liabilities as "Liabilities directly associated with the assets held for distribution" in accordance with Ind AS 105 (Non-current Assets held for Sale and Discontinued Operations). Accounting for discontinued operations being a significant non-routine event requires judgments and estimates to identify and separate the financial effects from continuing and discontinued operations. Accordingly, this matter has been determined to be a key audit matter our audit of standalone financial statements	- Our audit procedures included but were not limited to, the following: • Obtained an understanding and assessed the effectiveness of process followed by the management in assessing the appropriateness of the Company's accounting policies in relation to discontinued operations; • Evaluated the basis of the management's assessment of treating the transfer of Spinning division and identified assets as discontinued operations in accordance with the applicable accounting standards; • Obtained and read the NCLT approved scheme of arrangement for demerger of the Spinning division for understanding the impact on the standalone financial statements including identification of the assets and liabilities to be transferred and assessment of the key estimates and judgement involved therein; • Performed procedures on the disclosures relating to discontinued operations made in the standalone financial statements for assessing the compliance with disclosure requirements

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial statement of the Company of which we are the independent auditors. For GHCL Employee Stock Option Trust included in the standalone financial statements, which has been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information of GHCL Employees Stock Option Trust included in the accompanying standalone financial statements of the Company whose financial statements and other financial information reflect total assets of Rs. 6.92 crores as at March 31, 2023 and the total revenues of Rs. 0.70 crore and net cash inflow of Nil for the year ended on that date. The financial statements/information of GHCL Employees Stock Option Trust have been audited by the other auditor whose report have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of GHCL Employees Stock Option Trust, is based solely on the report of such auditor.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

(a) We/the other auditor who report we have relied on, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company including GHCL Employee Stock Option Trust so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report. The provisions of clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act") are not applicable to GHCL Employees Stock Option Trust;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act. The GHCL Employee Stock Option Trust has not paid any amount under provisions of Section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 35 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 15 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 01, 2023, reporting under this clause is not applicable

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

sd/-
per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 23095169BGXZYH7940

Place of Signature: Gurugram
Date: April 29, 2023

Annexure 1

referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: GHCL Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(i) (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(d) The Company has not revalued its Property, plant and equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at 31st March, 2023 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations. No discrepancies of 10% or more in aggregate for each class of inventory were noted on physical verification of inventories.

(b) As disclosed in Note 16 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/ statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii) (a) During the year the Company has provided loans, advances in the nature of loans, provided guarantee and security to Companies or any other parties as follows:

Particulars	Amount
• **Aggregate amount granted/ provided during the year**	
- Loan to Employees (includes Discontinue Operations of Rs. 0.38 crores)	1.91
- Loan to Subsidiary	Nil
• **Balance outstanding as at balance sheet date in respect of above case**	
- Loan to Employees (includes Discontinue Operations of Rs.0.33 crores)	2.01
- Loan to Subsidiary	0.14
• **Guarantees**	
- Corporate guarantee given (in earlier years) on behalf of erstwhile subsidiary	3.06

(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to subsidiary and employees are not prejudicial to the Company's interest. According to the information and explanations given to us and based on audit procedures performed by us, the Company has not made investment, provided security in the nature of loans to Companies, Firms, Limited Liability Partnerships or any other parties.

(c) The Company has granted loan during the year to employees where the schedule of repayment of principal has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability

Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the manufacture of Soda Ash and Textile products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company.

(b) The dues of employees' state insurance, income-tax, sales-tax, duty of custom, duty of excise, goods and service tax, cess and other statutory dues that have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Demand raised (Amount in Rs Crore)	Pre - Deposit (Amount in Rs Crore)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Differential duty on account of classification under different chapters of CETA.	6.78	0.27	F.Y. 2012-13 and 2014-15	Customs, Excise and Service tax Appellate Tribunal, Chennai & Customs, Excise and Service tax Appellate Tribunal, Ahmedabad
	Denial of import eligibility	0.59	0.04	F.Y 2015-16	Principal Commissioner Customs- (Chennai-III)
Central Excise Act, 1944	Denial of service tax credit on ineligible services	0.11	0.10	F.Y 2004-2005	Dy. Commissioner, Junagadh
	Denial of CENVAT Credit & Non Payment of Service Tax & Excise duty, Demand of excise duty on Fly Ash & Trading Material	67.68	4.94	F.Y. 2008-09 to F.Y. 2016-17	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
	Denial of service tax credit on foreign services	1.29	0.10	F.Y 2005-2006	Customs, Excise and Service Tax Appellate Tribunal, Delhi
	Denial of CENVAT credit on capital goods and others	0.03	-	F.Y 2001-2002	Hon'ble High Court, Chennai
	Short reversal of CENVAT credit on goods under duty drawback scheme	0.59	0.06	F.Y 2008-2009	CESTAT Ahmedabad (Appeal)

Name of the Statute	Nature of Dues	Demand raised (Amount in Rs Crore)	Pre - Deposit (Amount in Rs Crore)	Period to which the amount relates	Forum where dispute is pending
The Employee's State Insurance Act, 1948	Contribution Demand	0.03	-	F.Y 1989-2002	ESI Court, Madurai
	Contribution Demand	0.01	-	F.Y 1985-1986	Hon'ble Supreme Court of India
Income Tax Act	Disallowance for claim u/s 80-IA, Section 14A and others	0.09	-	F.Y 2015-2016	Joint Comm, Ahmedabad
	Disallowance of Transfer Pricing Adjustment	1.08	-	F.Y. 2016-17	National Faceless Appeal Centre (NFAC)
	Disallowance of Transfer Pricing Adjustment	8.19	-	F.Y. 2017-18	National Faceless Appeal Centre (NFAC)
Gujarat Sales Tax Act, 1969	Disallowance of Set off of Sales Tax	0.02	-	FY 2002-2003	VAT Tribunal, Ahmedabad
		0.02	-	FY 2003-2004	Joint Comm. (Audit), Ahmedabad
CGST Act, 2017	Penalty for improper documentation under GST	0.04	0.04	FY 2022-2023	Assistant Comm. Moradabad, UP
		0.05	0.05	FY 2022-2023	Assistant Comm. Moradabad, UP

There are no dues of Provident Fund, value added tax, goods and service tax and cess which have not been deposited on account of any dispute.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-Section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT

– 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 46 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub Section 5 of Section 135 of the Act. This matter has been disclosed in Notes 28B to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub Section (6) of Section 135 of Companies Act. This matter has been disclosed in Note 28B to the financial statements.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership Number: 095169
UDIN: 23095169BGXZYH7940

Place of Signature: Gurugram
Date: April 29, 2023

Annexure 2

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GHCL LIMTED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of GHCL Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI")]. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership Number: 095169
UDIN: 23095169BGXZYH7940

Place of Signature: Gurugram
Date: April 29, 2023

Standalone Balance Sheet

as at March 31. 2023

(INR in crores)

	Particulars	Note No.	As at March 31, 2023	As at March 31, 2022 (Restated)	As at April 01, 2021 (Restated)
I.	**Assets**				
(1)	**Non-current assets**				
(a)	Property, plant and equipment	3	1,718.92	2,454.53	2,656.62
(b)	Capital work-in-progress	3	108.55	212.98	80.54
(c)	Other intangible assets	4	1.84	2.61	6.05
(d)	Right-of-use assets	34	10.68	11.54	12.16
(e)	Investment in subsidiaries	5	0.01	0.01	0.01
(f)	Financial assets				
(i)	Investments	5	14.96	16.55	40.12
(ii)	Loans	6A	0.76	-	-
(iii)	Other non-current financial assets	6B	16.27	21.67	19.24
(g)	Non current tax assets (net)	12	24.02	-	-
(h)	Other-non current assets	7	71.88	90.35	66.57
	Total non-current assets		**1,967.89**	**2,810.24**	**2,881.31**
(2)	**Current assets**				
(a)	Inventories	8	772.33	941.95	740.48
(b)	Financial assets				
(i)	Investments	5	364.84	-	-
(ii)	Trade receivables	9	218.41	273.66	250.66
(iii)	Cash and cash equivalents	10A	123.38	230.10	32.65
(iv)	Bank balances other than cash and cash equivalents	10B	16.37	11.65	13.66
(v)	Loans	11A	1.06	8.20	9.43
(vi)	Derivative instruments		-	-	4.14
(vii)	Other current financial asset at amortised cost	11B	11.89	5.95	12.58
(c)	Current tax assets (net)		-	-	9.73
(d)	Other current assets	13	30.85	133.78	34.35
	Total current assets		**1,539.13**	**1,605.29**	**1,107.68**
	Assets held for sale and discontinued operations	45	1,617.86	576.26	2.34
	Total assets		**5,124.88**	**4,991.79**	**3,991.33**
II.	**Equity and liabilities**				
	Equity				
(a)	Equity share capital	14	95.59	95.35	95.01
(b)	Other equity	15	3,838.29	2,856.64	2,265.21
	Total equity		**3,933.88**	**2,951.99**	**2,360.22**
	Liabilities				
(1)	**Non-current liabilities**				
(a)	Financial liabilities				
(i)	Borrowings	16A	242.62	424.60	563.82
(ii)	Lease liabilities	34	12.49	12.99	13.33
(b)	Provisions	17A	5.77	7.62	3.02
(c)	Other non-current liabilities		-	-	0.70
(d)	Deferred tax liabilities (net)	12	243.50	407.83	401.76
	Total non- current liabilities		**504.38**	**853.04**	**982.63**
(2)	**Current liabilities**				
(a)	Financial liabilities				
(i)	Borrowings	16B	104.90	342.85	204.28
(ii)	Lease liabilities	34	1.35	1.11	0.68
(iii)	Trade payables				
	(a) Total outstanding dues of micro enterprises and small enterprises	18	36.91	41.67	23.43
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	206.02	300.13	352.09
(iv)	Derivative instruments	19A	3.58	1.46	-
(v)	Other financial liabilities	19B	25.82	339.41	34.86
(b)	Provisions	17B	12.06	11.97	14.36
(c)	Current tax liabilities (net)	12	-	14.54	-
(d)	Other current liabilities				
(i)	Contract liabilities	21.2	2.68	7.08	3.91
(ii)	Other liabilities	20	34.71	44.05	14.87
	Total current liabilities		**428.03**	**1,104.27**	**648.48**
	Liabilities directly associated with the assets held for sale and discontinued operations	45	258.59	82.49	-
	Total equity and liabilities		**5,124.88**	**4,991.79**	**3,991.33**

The accompanying notes are Integral part of the standalone financial statements.

As per report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership No. 095169
Place : Gurugram
Date: April 29, 2023

For and on behalf of the Board of Directors of GHCL Limited

sd/-
Dr. Manoj Vaish
Director
DIN: 00157082

sd/-
R. S. Jalan
Managing Director
DIN: 00121260

sd/-
Raman Chopra
CFO & Executive Director-Finance
DIN: 00954190
Place : New Delhi
Date: April 29, 2023

sd/-
Bhuwneshwar Mishra
Vice President- Sustainability &
Company Secretary
Membership No.: FCS 5330

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(INR in crores)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Revenue from continuing operations			
Revenue from operations	21	4,545.42	3,052.14
Other income	22	38.63	8.64
Total Income		**4,584.05**	**3,060.78**
Expenses from continuing operations			
Cost of raw materials consumed	23	1,281.91	950.54
Purchase of stock in trade		323.09	236.28
(Increase)/ decrease in inventories of finished goods, stock-in-trade and work-in-progress	24	(12.18)	(12.73)
Power, fuel and water		854.62	566.41
Employee benefit expenses	25	133.70	108.06
Depreciation and amortization expense	26	94.22	86.93
Finance costs	27	38.67	51.34
Other expenses	28	482.85	474.82
Total expenses		**3,196.88**	**2,461.65**
Profit before exceptional items and tax from continuing operations		1,387.17	599.13
Exceptional items	52	(55.38)	24.97
Profit before tax from continuing operations		**1,442.55**	**574.16**
Tax expense of continuing operations:	12		
Current tax		356.61	148.92
Tax adjustment of earlier years		(0.62)	(0.03)
Deferred tax (credit)/charge		(5.83)	3.16
Total tax expenses		350.16	152.05
Profit for the year from continuing operations		**1,092.39**	**422.11**
Profit before tax for the year from discontinued operations	45	31.92	294.25
Tax Expense of discontinued operations	45	(7.60)	(79.09)
Profit for the year from discontinued operations	45	**24.32**	**215.16**
Profit for the year		**1,116.71**	**637.27**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent years			
Re-measurement gain/(loss) on defined benefit plans		(3.90)	0.44
Income tax effect		0.98	(0.11)
Re-measurement gain/(loss) on investment in equity		(0.21)	1.32
Income tax effect Re-measurement Gain/(Loss) on investment in equity		(0.48)	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent years	29	**(3.61)**	**1.65**
Total comprehensive income for the year, net of tax		**1,113.10**	**638.92**
Earnings per share for continuing operations per equity share nominal value of shares INR 10 (Previous year INR 10 each)	30		
Basic (INR)		114.89	44.31
Diluted (INR)		114.89	44.18
Earnings per share for discontinued operations per equity share nominal value of shares INR 10 (Previous year INR 10 each)			
Basic (INR)		2.56	22.59
Diluted (INR)		2.56	22.52
Earnings per share for continuing and discontinued operations per equity share nominal value of shares INR 10 (Previous year INR 10 each)			
Basic (INR)		117.45	66.90
Diluted (INR)		117.45	66.70

The accompanying notes are Integral part of the standalone financial statements.

As per report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership No. 095169
Place : Gurugram
Date: April 29, 2023

For and on behalf of the Board of Directors of GHCL Limited

sd/-
Dr. Manoj Vaish
Director
DIN: 00157082

sd/-
R. S. Jalan
Managing Director
DIN: 00121260

sd/-
Raman Chopra
CFO & Executive Director-Finance
DIN: 00954190
Place : New Delhi
Date: April 29, 2023

sd/-
Bhuwneshwar Mishra
Vice President- Sustainability &
Company Secretary
Membership No.: FCS 5330

Standalone Statement of Cash Flows

for the year ended March 31, 2023

(INR in crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Operating activities		
Profit before tax from continuing operations (after exceptional item before tax)	1,442.55	574.16
Profit before tax from discontinued operations	31.92	294.25
Adjustments to reconcile profit before tax to net cash flows :		
Depreciation and amortisation expenses	134.25	130.56
(Gain)/Loss on sale of investments/Provision for diminution in value of investment	(16.75)	24.46
Gain on sale of Home Textiles Business	(68.07)	-
Exceptional loss on balances recoverable from subsidiary company	8.77	-
Provision for doubtful debts	(0.19)	-
Loss on sale/disposal of property, plant and equipment and asset held for sale	16.76	1.58
Interest income	(1.97)	(0.40)
Finance costs	46.51	70.35
Dividend Income	(0.13)	(0.05)
Employees share based payments	13.29	0.04
Liabilities no longer written back	-	(12.75)
Unrealised exchange loss	2.25	3.38
Operating profit before working capital changes	**1,609.19**	**1,085.58**
Changes in working capital		
Adjustments for (Increase)/decrease in Operating assets:		
Trade receivables	(44.85)	(112.22)
Inventories	(181.17)	(383.30)
Other current financial assets	(10.00)	5.36
Other current assets	36.43	(111.40)
Non-current financial assets	(7.46)	(1.10)
Other non-current assets	(4.53)	0.01
Adjustments for Increase/(decrease) in Operating liabilities:		
Contract liabilities	(0.59)	4.14
Trade payables	(54.22)	26.91
Derivative instruments	-	2.72
Other non current financial liabilities	-	(0.70)
Other current financial liabilities	(0.04)	295.39
Other current liabilities	(8.53)	30.23
Provisions	7.95	2.25
Cash generated from operations	**1,342.18**	**843.87**
Income tax paid (net)	(443.24)	(204.90)
Net cash generated from operating activities (A)	**898.94**	**638.97**
Cash flow from investing activities		
Payment for purchase of Property, plant and equipment, capital work in progress and intangible assets	(357.55)	(345.11)
Proceeds from sale of Property, plant and equipment	7.58	-
Proceeds from sale of Home textile Business	262.34	-
Proceeds from sales of investments	3,347.27	0.43
Purchase of investments	(3,695.21)	-
Interest received	1.97	0.40
Dividend received	0.13	0.05
Net cash flow (used in) investing activities (B)	**(433.47)**	**(344.23)**

Standalone Statement of Cash Flows

for the year ended March 31, 2023

(INR in crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Cash flow from financing activities		
Proceeds from issue of equity shares (including securities premium)	3.53	5.06
Dividend paid	(142.68)	(52.00)
Proceeds from long-term borrowings	-	100.00
Repayment of long-term borrowings	(135.68)	(249.41)
Proceeds/(repayment) from short-term borrowings	(206.72)	166.71
Payment of lease liabilities	(2.68)	(2.28)
Bank deposit not considered as cash and cash equivalents matured	4.75	1.72
Bank deposit not considered as cash and cash equivalents placed	(10.96)	(1.63)
Interest paid	(44.69)	(65.29)
Net cash used in financing activities (C)	**(535.13)**	**(97.12)**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(69.66)**	**197.62**
Cash and cash equivalents at the beginning of the year	**230.27**	**32.65**
Cash and cash equivalents at the end of the year	**160.61**	**230.27**
Components of cash and cash equivalents		
Cash on hand	0.10	0.08
Balances with banks:		
- On current accounts	50.26	16.82
- Deposits with original maturity of less than three months	110.25	213.37
Total cash and cash equivalents	**160.61**	**230.27**

Notes:

1. The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

The accompanying notes are Integral part of the standalone financial statements.

As per report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership No. 095169
Place : Gurugram
Date: April 29, 2023

For and on behalf of the Board of Directors of GHCL Limited

sd/-
Dr. Manoj Vaish
Director
DIN: 00157082

sd/-
R. S. Jalan
Managing Director
DIN: 00121260

sd/-
Raman Chopra
CFO & Executive Director-Finance
DIN: 00954190
Place : New Delhi
Date: April 29, 2023

sd/-
Bhuwneshwar Mishra
Vice President- Sustainability &
Company Secretary
Membership No.: FCS 5330

Standalone Statement of changes in equity

for the year ended March 31, 2023

A. Equity share capital

For the year ended March 31, 2023

Equity shares of INR 10 each issued, subscribed and fully paid up

(INR in crores)

Particulars	Number of shares	Amount
As at April 01, 2022	9,53,50,786	95.35
Changes in share capital ESOS issued during the year (May 30, 2022)	2,35,000	0.24
Balance as at March 31, 2023	**9,55,85,786**	**95.59**

For the year ended March 31, 2022

Equity shares of INR 10 each issued, subscribed and fully paid up

Particulars	Number of shares	Amount
As at April 01, 2021	9,50,13,286	95.01
Changes in share capital ESOS issued during the year (July 15, 2021)	3,37,500	0.34
Balance as at March 31, 2022	**9,53,50,786**	**95.35**

B. Other equity

Particulrars	Reserves and Surplus (Refer note 15)								FVTOCI Reserve (I)	Total
	Capital reserve (A)	Business development reserve (B)	Capital redemption reserve (C)	Securities premium (D)	Retained earnings (E)	Share based payment reserve (F)	Treasury shares (G)	General reserve (H)		
As at April 01, 2021	7.57	73.89	16.36	-	2,279.83	11.42	-	5.45	12.29	2,406.81
Adjustment on account of restatements (Refer Note 48)	-	(73.89)	-	-	(67.71)	-	-	-	-	(141.60)
As at April 01, 2021 (Restated)	7.57	-	16.36	-	2,212.12	11.42	-	5.45	12.29	2,265.21
Profit for the year	-	-	-	-	637.27	-	-	-	-	637.27
Reserve created on account of ESOS issued during the year	-	-	-	10.69	-	(5.96)	-	-	-	4.73
Share based payments (Refer Note 25)	-	-	-	-	-	0.04	-	-	-	0.04
Dividend paid	-	-	-	-	(52.27)	-	-	-	-	(52.27)
Other comprehensive income for the year, net of tax (Refer Note 29)	-	-	-	-	0.33	-	-	-	1.32	1.65
Balance as at March 31, 2022 (Restated)	7.57	-	16.36	10.69	2,797.45	5.51	-	5.45	13.61	2,856.64

Standalone Statement of changes in equity

for the year ended March 31, 2023

Particulrars	Reserves and Surplus (Refer note 15)								FVTOCI Reserve (I)	Total
	Capital reserve (A)	Business development reserve (B)	Capital redemption reserve (C)	Securities premium (D)	Retained earnings (E)	Share based payment reserve (F)	Treasury shares (G)	General reserve (H)		
Profit for the year	-	-	-	-	1,116.71	-	-	-	-	1,116.71
Reserve created on account of ESOS issued during the year	-	-	-	7.58	-	(4.29)	-	-	-	3.29
Share based payments (Refer Note 25)	-	-	-	-	-	13.29	-	-	-	13.29
Treasury shares acquired by GHCL Employees Stock Option Trust	-	-	-	-	-	-	(5.35)	-	-	(5.35)
Dividend paid	-	-	-	-	(142.68)	-	-	-	-	(142.68)
Other comprehensive income for the year, net of tax (Refer Note 29)	-	-	-	-	(2.92)	-	-	-	(0.69)	(3.61)
Balance as at March 31, 2023	**7.57**	**-**	**16.36**	**18.27**	**3,768.56**	**14.51**	**(5.35)**	**5.45**	**12.92**	**3,838.29**

The accompanying notes are Integral part of the standalone financial statements.

As per report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership No. 095169
Place : Gurugram
Date: April 29, 2023

For and on behalf of the Board of Directors of GHCL Limited

sd/-
Dr. Manoj Vaish
Director
DIN: 00157082

sd/-
R. S. Jalan
Managing Director
DIN: 00121260

sd/-
Raman Chopra
CFO & Executive Director-Finance
DIN: 00954190
Place : New Delhi
Date: April 29, 2023

sd/-
Bhuwneshwar Mishra
Vice President- Sustainability &
Company Secretary
Membership No.: FCS 5330

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

1. Corporate information

GHCL Limited ("GHCL" or the "Company") is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed with the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The registered office of the Company is located at GHCL House, Opp. Punjabi Hall, Near Navrangpura Bus Stand, Navrangpura, Ahmedabad - 380 009, Gujarat.

The Company is engaged in the business of Manufacturing & trading of Inorganic Chemicals (mainly manufacture and sale of Soda Ash).

Pursuant to the Business Transfer Agreement dated December 06, 2021 and Amendment to Business Transfer Agreement dated March 30, 2022 with Indo Count Industries Limited (ICIL), the Company on April 02, 2022 had transferred its Home Textile Business (comprising of weaving, processing, cutting and sewing of home textiles products, hereinafter referred as "HT Business") as a going concern on a slump sale basis during the current year (Refer Note 45).

The Board of Directors of the Company at their meeting held on December 06, 2021 approved a Scheme of Arrangement under Section 230-232 of the Companies Act 2013 consisting of demerger of Spinning Division of GHCL Limited ("Demerged Company") into GHCL Textiles Limited ('Resulting Company') (the "Scheme")(Refer Note 45).

Accordingly, both the above said business have been disclosed as discontinued operations.

Information on related party relationships of the Company is provided in Note 36.

These financial statements are approved for issue in accordance with a resolution of the Board of Directors on April 29, 2023.

2. Significant accounting policies

2.1 Basis of preparation

The Standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities that have been carried at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees (INR) and all values are recorded to the nearest crores (INR'00, 00,000), except otherwise indicated.

The Company has prepared the financial statement on the basis that it will continue to operate as a going concern.

2.2 Summary of significant accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting year, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting year, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

The Company's Audit Committee determine the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuer are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuer is decided upon annually by the Valuation Committee after discussion with and approval by the Company’s Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The Valuation Committee decides, after discussions with the Company’s external valuer, which valuation techniques and inputs to use for each case.

At each reporting date, the Audit Committee analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

analysis, the members of Banking & Operations Committee verify the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Banking & Operations Committee also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the members of Banking & Operations Committee present the valuation results to the Audit Committee and the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosure of Fair Value hierarchy
- Financial instruments (including those carried at amortised cost)

c) Revenue from contracts with customers

The Company derives revenues primarily from sale of inorganic chemicals, textile and other products.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition

model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognise revenue when or as an entity satisfies a performance obligation.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 31.

Sale of Goods

For sale of goods, revenue is recognised when control of the goods has transferred at a point in time i.e. when the goods have been delivered to the specific location (delivery). Following delivery, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. The average payment terms range between 15-60 days. The Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Variable consideration

If the consideration in a contract includes a variable amount, estimate the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company recognizes changes in the estimated amount of variable consideration in the year in which

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

the change occurs. Some contracts for the sale of goods provide customers with volume rebates and pricing incentives, which give rise to variable consideration. The Company provides retrospective volume rebates and pricing incentives to certain customers once the quantity of products purchased during the year exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

The disclosures of significant estimates and assumptions relating to the estimation of variable consideration for volume rebates are provided in Note 31

Contract balances

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (p) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Cost to obtain a contract

The Company pays sales commission to its selling agents for certain contract that they obtain for the Company. The Company applies the optional practical expedient to immediately expense costs to obtain a contract if amortization year would have been recognised is one year or less. As such, sales commissions are immediately recognised as an expense and included as part of Other Expenses. Costs to fulfill a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the year in which related revenue is recognised.

d) Other revenue streams

Export Benefits

Export benefits arising from Remissions of Duties and Taxes on Exported Products (RoDTEP), Duty Drawback Scheme, Merchandise Export Incentive Scheme and Rebate of State and Central Taxes and Levies (ROSCTL) are recognised on export of such goods in accordance with the agreed terms and conditions with customers.

Revenue from export benefits measured at the fair value of consideration received or receivable net of returns and allowances, cash discounts, trade discounts and volume rebates.

Rendering of Services

Revenue from rendering of services is recognised when the performance obligation to render the services are completed as per contractually agreed terms.

Dividend

Dividend on financial assets is recognised when the Company's right to receive the payment is established i.e. when it is probable that the economic benefits associated with the dividend will flow to the entity.

Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter year, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

(for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Scrap Sales :

Income from Sales of Scrap is recognized at the point in time when control of the assets is transferred to the customer.

Insurance Claims

Insurance claims are recognized when there exists no significant uncertainty with regards to the amount to be realised and ultimate collection thereof.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

e) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in accordance with the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in Other comprehensive income (OCI) or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except :

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Goods and Service taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

f) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Items such as spare parts, stand-by equipment and servicing equipment are recognized as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Such cost includes the cost of replacing part of the plant and equipment and borrowing cost for long term construction projects if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the management. Depreciation for assets purchased/ sold during a year is proportionately charged. Leases relating to land are amortized equally over the year of lease. Leased mines are depreciated over the estimated useful life of the mine or lease year, whichever is lower. The Management estimates the useful lives for the fixed assets, except lease mines and leasehold land, as follows.:

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

Particulars	Life Considered
Buildings	30/60 years
Roads (included under Buildings)	10 years
Plant & Equipment (other than electrical installations)	5 to 25 years*
Electrical Installations and Equipment (included in plant & equipment)	10 years
End user devices, such as, desktops, laptops, etc. (included under office equipments)	3 years
Servers and networks (included under office equipments)	6 years
Office Equipments	5 years
Furniture & Fixture	10 years
Salt Works & Resorvoirs	5 years
Vehicles	8 to 10 years
Wind Turbine	22 years
Solar Power	22 years

* For these class of assets, based on internal assessment, the management believes that the useful lives as given above best represent the year over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the year over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation year and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation year or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets comprising of computer software and trademark with finite useful life are amortised on straight line basis over estimated useful life of three years

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective.

An intangible asset is de-recognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is de-recognised.

h) Non- Current asset held for sale and discontinued operations

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

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For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the Statement of Profit and Loss.

As mandated by Ind AS 105, assets and liabilities has not been reclassified or re-presented for prior period i.e. year ended March 31, 2022.

Basis of segregation into discontinued operations and additional disclosures in respect of discontinued operations are provided in Note 45 to the financial statements."

i) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial year of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Buildings 1 to 9 years
- Salt Works 30 years

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If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (l) Impairment of non-financial assets."

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

k) Inventories

Inventories, except for Stores & Spares and Loose Tools, are valued at cost or net realizable value, whichever is lower Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average cost basis.
- Finished goods (Including goods in transit) & Work in progress: Cost includes material cost, cost of conversion, depreciation, other overheads to the extent applicable. Cost is determined on weighted average cost basis.
- Stock in trade: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Stores and spares: are stated at cost less provision, if any, for obsolescence. Cost is determined on moving weighted average cost basis and cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

l) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an

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asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of three years. For longer years, a long-term growth rate is calculated and applied to project future cash flows after the third year. To estimate cash flow projections beyond years covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit and loss section of the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

m) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Decommissioning liability

The present value of the expected cost for the decommissioning of an asset after its use and leasehold improvements on termination of lease is included in the cost of the respective asset if the recognition criteria for a provision are met. The Company records a provision for decommissioning costs of its plant for manufacturing of Soda Ash and leasehold improvements at the leasehold land. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

The impact of climate-related matters on remediation of environmental damage is considered with determining the decommissioning liability on the manufacturing facility."

Onerous Contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities)."

n) Gratuity and other post-employment benefits

Retirement benefit in the form of provident fund and superannuation fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund and superannuation fund. The Company recognizes contribution payable to the provident fund and superannuation fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs
- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes.

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Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

o) Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the year in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting year has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

p) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular day trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

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Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Company financial assets at amortised cost includes trade receivables and loan to an associate and loan to a director included under other non-current financial assets.

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

The Company's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

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Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

  When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Companies continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

  Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., debt securities, deposits, trade receivables and bank balance.

(b) Financial assets that are debt instruments and are measured as at FVTOCI

(c) Lease receivables under Ind-AS 116.

(d) Trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent year, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 -month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

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- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected in a separate line in the P&L as an impairment gain or loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contract assets and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)"

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

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Financial liabilities at amortised cost (Loans and Borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 16.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest. The following table shows various reclassification and how they are accounted for as per below:

i) Amortised cost to FVTPL - Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.

ii) FVTPL to Amortised Cost - Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.

iii) Amortised cost to FVTOCI - Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.

iv) FVTOCI to Amortised cost - Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.

v) FVTPL to FVTOCI - Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.

vi) FVTOCI to FVTPL - Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

q) Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on

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the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

r) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. Bank balances other than the balance included in cash and cash equivalents represents balance on account of unpaid dividend and margin money deposit with banks.

s) Dividend

The Company recognises a liability to pay dividend to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

t) Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions complied in. When the grant relates to an expense item, it Is recognised as Income on a systematic basis over the years that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as an income in equal amounts over the expected useful life of the related asset.

u) Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency, using the spot exchange rates at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items e recognised in Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of nonmonetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

v) Investment in subsidiary

Investment in subsidiary is carried at cost in the separate financial statements. Investment carried at cost is tested for impairment as per IND AS 36.

w) Contingent Liabilities

A Contingent liability is a possible_obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrgnce of one or more uncertain future events beyond the control of the Company or a present obligation that is recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because cannot be measured reliably. Therefore the Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

x) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Treasury shares are reduced while computing basic and diluted earnings per share.

xi) Treasury shares

The Company has created a GHCL Employees Stock Option Trust for providing share-based payment to its employees. The Company uses GHCL Employees Stock Option Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The GHCL Employees Stock Option Trust buys shares of the Company from the market, for giving shares to employees. The Company treats GHCL Employees Stock Option Trust as its extension and shares held by GHCL Employees Stock Option Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in Securities premium . Share options exercised during the reporting period are satisfied with treasury shares.

xii) New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, to amend the following Ind AS which are effective from April 01, 2022.

(a) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

(b) Reference to the Conceptual Framework – Amendments to Ind AS 103

(c) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

(d) Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter

(e) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

(f) Ind AS 41 Agriculture – Taxation in fair value measurements

There is no material impact on financial statements of the Company on account of new and amended standards.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

3. Property, plant and equipment

Cost	Freehold Land	Leasehold Land *	Buildings	Plant and Equipments	Office Equipments	Furniture and Fixtures	Salt works reservoir	Vehicles	Leased Mines #	Wind Turbine Generator	Solar Power	Total	Capital work in progress	Asset held for sale	Total Amount
As at April 01, 2021	359.69	352.75	266.33	2,039.21	10.09	6.27	5.06	3.64	9.47	141.54	8.23	3,202.28	80.54	2.34	3,285.15
Additions-continuing operations	16.05	-	10.60	92.76	0.67	0.04	-	0.90	6.39	-	69.79	197.20	334.79	-	531.99
Additions in assets held for sale	-	-	1.77	2.62	0.35	0.05	-	-	-	-	-	4.79	-	574.30	579.09
Disposals-continuing operations	(1.64)	-	-	(10.12)	(0.21)	-	-	(0.60)	-	-	-	(12.57)	(201.99)	(0.38)	(214.94)
Adjustments due to Discontinued operations	(52.14)	(0.35)	(57.49)	(247.50)	(7.38)	(4.49)	-	(0.39)	-	(13.07)	-	(382.81)	(0.36)	-	(383.17)
As at March 31, 2022	**321.96**	**352.40**	**221.21**	**1,876.97**	**3.52**	**1.87**	**5.06**	**3.55**	**15.86**	**128.47**	**78.02**	**3,008.89**	**212.98**	**576.26**	**3,798.12**
Additions-continuing operations	3.75	-	17.30	96.16	1.37	0.16	13.34	0.93	-	-	-	133.01	138.56	-	271.57
Additions-Discontinued operations	2.38	-	37.92	173.43	0.67	1.02	-	0.19	-	-	0.43	216.04	195.41	-	411.45
Disposals-continuing operations	(0.05)	(16.40)	(5.13)	(4.89)	(0.89)	(0.01)	(4.73)	(0.06)	-	-	-	(32.16)	(133.00)	-	(165.16)
Disposals-Discontinued operations	(0.50)	-	(0.20)	(9.28)	(0.03)	(0.00)	-	-	-	-	-	(10.01)	(216.04)	(576.03)	(802.08)
Adjustments due to Discontinued operations ##	(211.43)	(0.01)	(109.39)	(510.34)	(2.53)	(1.47)	-	(0.98)	-	(128.47)	(78.45)	(1,043.07)	(89.36)	(0.23)	(1,132.66)
Adjustments**	-	-	-	(16.23)	7.52	2.18	4.87	1.66	-	-	-	0.00	-	-	0.00
As at March 31, 2023	**116.11**	**335.99**	**161.71**	**1,605.82**	**9.63**	**3.75**	**18.54**	**5.29**	**15.86**	**-**	**-**	**2,272.70**	**108.55**	**-**	**2,381.24**

Accumulated depreciation	Freehold Land	Leasehold Land *	Buildings	Plant and Equipments	Office Equipments	Furniture and Fixtures	Salt works reservoir	Vehicles	Leased Mines #	Wind Turbine Generator	Solar Power	Total	Capital work in progress	Asset held for sale	Total Amount
As at April 01, 2021	-	29.19	53.65	402.08	5.92	2.09	2.37	1.06	9.26	39 .00	1.03	545.66	-	-	545.66
Depreciation charge for the year continuing operations	-	4.86	5.58	69.60	1.27	0.35	0.58	0.42	0.03	-	-	82.69	-	-	82.69
Depreciation charge for the year discontinued operations	-	0.01	4.50	29.20	0.94	0.32	-	0.17	-	7.39	0.81	43.34	-	-	43.34
Adjustments due to Discontinued operations	-	(0.08)	(18.56)	(80.43)	(6.06)	(2.47)	-	(0.17)	-	3.08	-	(110.85)	-	-	(110.85)
Disposals-continuing operations	-	-	-	(5.84)	(0.19)	-	-	(0.45)	-	-	-	(6.48)	-	-	(6.48)
As at March 31, 2022	**-**	**33.98**	**45.17**	**414.61**	**1.88**	**0.29**	**2.95**	**1.03**	**9.29**	**43.31**	**1.84**	**554.36**	**-**	**-**	**554.36**
Depreciation charge for the year continuing operations	-	4.84	8.25	73.49	1.22	0.31	0.58	0.48	1.77	-	-	90.94	-	-	90.94
Depreciation charge for the year discontinued operations	-	-	5.46	23.54	0.41	0.05	-	0.09	-	6.94	3.50	39.99	-	-	39.99
Disposals-continuing operations	-	(1.80)	(5.06)	(3.27)	(0.87)	(0.02)	(4.74)	(0.03)	-	-	-	(15.79)	-	-	(15.79)
Disposals-discontinuing operations	-	-	(0.08)	(4.96)	(0.03)	(0.00)	-	-	-	-	-	(5.07)	-	-	(5.07)
Adjustments due to Discontinued operations ##	-	-	(16.02)	(35.79)	(1.79)	(0.34)	-	(0.48)	-	50.89	(5.34)	(110.65)	-	-	(110.65)
Adjustments**	-	-	0.19	(15.33)	5.93	2.03	4.86	1.68	-	0.64	-	(0.00)	-	-	(0.00)
As at March 31, 2023	**-**	**37.02**	**37.91**	**452.29**	**6.75**	**2.32**	**3.65**	**2.77**	**11.06**	**-**	**-**	**553.78**	**-**	**-**	**553.78**

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

Net book value	Freehold Land	Leasehold Land *	Buildings	Plant and Equipments	Office Equipments	Furniture and Fixtures	Salt works reservoir	Vehicles	Leased Mines #	Wind Turbine Generator	Solar Power	Total	Capital work in progress	Asset held for sale	Total Amount
As at March 31, 2023	116.11	298.97	123.80	1,153.53	2.88	1.43	14.89	2.52	4.80	-	-	1,718.92	108.55	-	1,827.47
As at March 31, 2022	321.96	318.42	176.04	1,462.36	1.64	1.58	2.11	2.52	6.57	85.16	76.18	2,454.53	212.98	576.26	3,243.77

Net book value	As at March 31, 2023	As at March 31, 2022
Property, plant and equipment	1,718.92	2,454.53
Capital work in progress	108.55	212.98
Asset classified as held for sale	-	576.26

Property plant and equipment are subject to charge to secure the Company's borrowings as disclosed in Note 16

On transition to Ind AS (i.e. 1 April 2015), the Company had elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment

Leasehold Land *

Land for Soda Ash plant and for Corporate Office are taken on lease from the Government of India for a year of 90 to 99 years. Leasehold lands are capitalised and amortised over the life of lease or life of assets (whichever is lower).

Adjustments represent interblock reclassification of assets**

Leased Mines #

Leased mines represents expenditure incurred on development of mines.

Discontinued Operations ##

Assets pertaining to Discontinued Operations represent the assets of Spinning Division unit to be transferred by the Company pursuant to the Scheme of Arrangement. (Refer Note no 45).

All title deeds of Immovable properties are held in the name of the Company.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

4. Intangible assets

Cost	Trademarks	Software	Total
As at April 01, 2021	2.65	12.20	14.85
Additions	-	-	-
Disposals	-	-	-
Adjustments due to Discontinued operations	(2.65)	(1.26)	(3.91)
As at March 31, 2022	**-**	**10.94**	**10.94**
Additions-continuing operations	-	0.65	0.65
Additions-Discontinued operations	-	0.15	0.15
Disposals-continuing operations	-	(0.03)	(0.03)
Disposals-Discontinued operations	-	(0.13)	(0.13)
Adjustments due to Discontinued Operations ##	-	(0.61)	(0.61)
As at March 31, 2023	**-**	**10.97**	**10.97**

Amortisation	Trademarks	Software	Total
As at April 01, 2021	2.65	6.15	8.80
Amortization-continuing operations	-	2.77	2.77
Amortization-discontinued operations	-	0.26	0.26
Disposals- Amortization discontinued operations	(2.65)	(0.85)	(3.50)
As at March 31, 2022	**-**	**8.33**	**8.33**
Amortization-continued operations	-	1.38	1.38
Amortization-discontinued operations	-	0.04	0.04
Disposals- continuing operations	-	(0.03)	(0.03)
Disposals- Amortization discontinued operations	-	(0.13)	(0.13)
Adjustments due to Discontinued operations ##	-	(0.46)	(0.46)
As at March 31, 2023	**-**	**9.13**	**9.13**

Net book value	Trademarks	Software	Total
As at March 31, 2023	-	1.84	1.84
As at March 31, 2022	-	2.61	2.61

On transition to Ind AS (i.e. 1 April 2015), the Company had elected to continue with the carrying value of all Intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible assets.

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress as at March 31,2023	96.86	10.12	0.20	1.37	108.55
Projects in progress as at March 31,2022	198.78	8.00	5.78	0.42	212.98

CWIP	To be completed in		
Debottlenecking project at Soda ash plant	Less than1 year	2-3 years	More than 3 years
As at 31st March 2023	2.30	-	-
As at 31st March 2022	55.53	-	-

Assets pertaining to Discontinued Operations represent the assets of Spinning Division unit to be transferred by the Company pursuant to the Scheme of Arrangement. (Refer Note no 45).

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

5. Investments

	Particulars	As at March 31, 2023	As at March 31, 2022
A)	**Investment in subsidiary companies, at cost**		
	Unquoted equity shares		
	Investment in Grace Home Fashion LLC *		
	Gross Amount of Investment	-	24.97
	Less: Provison for diminution in value of investment (Refer Note 52)	-	(24.97)
	Net amount of Investment in Grace Home Fashions LLC	-	-
	Investment in Dan River Properties LLC	0.00	0.00
	Investment in GHCL Textiles Limited	0.01	0.01
	Total Investments in subsidiaries	**0.01**	**0.01**
	* Dissolved during the current year w.e.f March 02, 2023.		
B)	**Non - current Investments in unquoted equity shares, at amortised cost #**		
	Nil (March 31, 2022: 5,200) of INR 10/- each fully paid up of DM Solar Farm Private Limited **	-	0.01
	Nil (March 31, 2022: 1,32,700) of INR 10/- each fully paid up of OPG Power Generation Private Limited	-	0.15
	Nil (March 31, 2022: 12,00,000) of INR 10/- each fully paid up of SSMT Power Private Limited**	-	1.20
	Nil (March 31, 2022: 950) of INR 10/- each fully paid up of Puvaneshwari Enterprises ##	-	0.00
	Nil (March 31, 2022: 950) of INR 10/- each fully paid up of Sarojarajan Green Power Energy ##	-	0.00
	Nil (March 31, 2022: 970) of INR 10/- each fully paid up of AFCM Wind Farms Private Limited##	-	0.00
	Nil (March 31, 2022: 970) of INR 10/- each fully paid up of AJSM Green Energy Private Limited ##	-	0.00
	Nil (March 31, 2022: 780) of INR 10/- each fully paid up of APGL Green Energy Private Limited ##	-	0.00
	Nil (March 31, 2022: 780) of INR 10/- each fully paid up of Jaichander Wind Farms Private Limited ##	-	0.00
	Nil (March 31, 2022: 780) of INR 10/- each fully paid up of Sushmitha Titiksha Green Energy Private Limited ##	-	0.00
	Nil (March 31, 2022: 2,440) of INR 10/- each fully paid up of Premchander Wind Farms ##	-	0.00
	Nil (March 31, 2022: 2,440) of INR 10/- each fully paid up of Premchander Green Energy ##	-	0.00
	Nil (March 31, 2022: 2,440) of INR 10/- each fully paid up of Jayanthi Wind Farms ##	-	0.00
	Nil (March 31, 2022: 2,440) of INR 10/- each fully paid up of Jayanthi Green Energy##	-	0.00
	Nil (March 31, 2022: 2,600) of INR 10/- each fully paid up of Vaayu Renewable Energy (Mandvi) Private Limited **/##	-	0.00
	Nil (March 31, 2022: 100 equity shares) of TCP Limited of INR 10/- each fully paid up ##	-	0.00
	Total	-	**1.38**

** The Company did not exercise any significant influence on DM Solar Farm Pvt Ltd, SSMT Power Pvt Ltd & Vaayu Renewable Energy (Mandvi) Pvt Ltd thus were not considered as associates.

These investments pertain to discontinued operations and have been disclosed as Discontinued Operations in Note 45.

Appeared as zero since the amount Is below rounding off.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

	Particulars	As at March 31, 2023	As at March 31, 2022
C)	**Non-current investments in Government securities**		
	Unquoted at amortised cost		
	7 years National Savings Certificates	0.04	0.04
	(Pledged with government authorities)		
		0.04	**0.04**
D)	**Non-current investments in Equity shares**		
	Quoted equity shares (through FVTOCI)		
	83,000 equity shares (March 31, 2022: 83,000 equity shares) of HDFC Bank Limited of INR 1/- each fully paid up	13.36	12.20
	68,598 equity shares (March 31, 2022: 68,598 equity shares) of IDBI Bank Limited of INR 10/- each fully paid up	0.31	0.29
	285 equity shares (March 31, 2022: 285 equity shares) of Bank of Baroda of INR 10/- each fully paid up	0.00	0.00
	272,146 equity shares (March 31, 2022: 272,146 equity shares) of GTC Industries Limited of INR 10/- each fully paid up	1.13	2.54
	4,500 equity shares (March 31, 2022: 4,500 equity shares) of Canara Bank of INR 10/- each fully paid up	0.13	0.10
	Total	**14.93**	**15.13**
E)	**Current Investments in Mutual funds**		
	Unquoted through (FVTPL)		
	2,44,27,154.64 units (March 31, 2022: Nil) of Aditya Birla Sun Life CRISIL IBX AAA - Jun 2023 - Index Fund Direct Growth	25.73	-
	5,46,592.33 units (March 31, 2022: Nil) of Aditya Birla Sun Life Savings Fund - Growth - Direct Plan	25.70	-
	2,57,658.69 units (March 31, 2022: Nil) of Axis Liquid Fund - Direct Growth - CFDG	64.44	-
	98,67,278.49 units (March 31, 2022: Nil) of Axis CRISIL IBX SDL May 2017 Index Fund - Direct Growth (CRDGG)	10.21	-
	2,38,731.86 units (March 31, 2022: Nil) of Bandhan Liquid Fund-Growth-(Direct Plan)	64.90	-
	1,69,913.48 units (March 31, 2022: Nil) of Baroda BNP Paribas Overnight Fund - Direct Plan Growth (On-D2-G)	20.00	-
	43,013.68 units (March 31, 2022: Nil) of HDFC Liquid Fund-Direct Plan-Growth Option	19.03	-
	1,56,428.58 units (March 31, 2022: Nil) of HSBC Liquid Fund - Direct Growth	35.07	-
	98,47,746.25 units (March 31, 2022: Nil) of ICICI Prudential Nifty SDL Sep 2027 Index Fund - Direct Plan - Growth	10.21	-
	48,311.82 units (March 31, 2022: Nil) of Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option (LFAGG)	26.61	-
	1,50,262.99 units (March 31, 2022: Nil) of SBI Liquid Fund Direct Growth	52.94	-
	84,737.01 units (March 31, 2022: Nil) of Union Overnight Fund Growth - Direct Plan	10.00	-
	Total	**364.84**	**-**

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Total Non-current Investments (A+B+C+D)	**14.97**	**16.56**
Total Current Investments (E)	**364.84**	**-**
Total	**379.81**	**16.56**
Aggregate book value of quoted investments	14.93	15.13
Aggregate market value of quoted investments	14.93	15.13
Aggregate value of unquoted investments	364.89	1.43
Aggregate amount of Diminuition in value of investments	-	24.97

Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities and quoted debt securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding. The Company has not transferred any gain or loss within equity . Refer Note 39 for determination of their fair values.

6A. Loans

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good, unless stated otherwise)		
(at amortised cost)		
Loan to employees	0.76	-
Total loan to employees	**0.76**	**-**

No loans are due from directors or other officer's of the Company either severally or jointly with any other person. Not any loans are due from firm or any private companies respectively in which any director is a partner, a director or a member.

6B. Other non-current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits, unsecured considered good	1.93	9.44
Bank deposits having a maturity of more than 12 months		
- On escrow account#	14.34	12.08
- On account of margin money deposited*	-	0.15
Total other non-current financial assets	**16.27**	**21.67**

As per the guidelines of the Ministry of Coal, Government of India all Coal Mine owners who are operating Coal Mines are required to prepare a Mine Closure Plan and need to open an escrow for depositing money towards mine closure activity on approval of such plan. Annual amount to be deposited shall be as per mine closure plan. Total amount deposited along with interest shall be refunded as per conditions of approved mine plan.

* Margin money held with banks against opening of letter of credit (LC) and bank guarantee.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

7. Other-non current assets

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured considered good)		
Capital advances	61.91	84.81
Deposits with statutory authorities under protest	9.97	5.54
Total other non current assets	**71.88**	**90.35**

No advances are due from directors or other officer's of the Company either severally or jointly with any other person. Not any advances are due from firm or any private companies respectively in which any director is a partner, a director or a member other than stated above

8. Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Inventories valued at lower of cost and net realizable value		
Raw materials	457.02	559.72
[includes in transit INR 3.79 crores (March 31, 2022: INR 8.76 crores)]		
Work-in-progress	7.21	27.92
Finished goods	97.28	96.81
[includes in transit INR 15.92 crores (March 31, 2022: INR 26.03 crores)]		
Stock-in-trade	33.57	54.33
Stores and spares (at lower of cost and net realisable value)	177.25	203.17
Total inventories	**772.33**	**941.95**

9. Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables		
- From Related parties (Refer Note 36)	-	52.91
- From others	218.41	220.75
	218.41	**273.66**

Break-up for security details

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
- Secured, considered good	20.82	75.97
- Unsecured, considered good	197.59	197.69
- Trade Receivables - credit impaired	-	0.57
	218.41	274.23
Impairment Allowance (allowance for bad and doubtful debts)		
- Trade Receivables - credit impaired	-	(0.57)
Total Trade receivables	**218.41**	**273.66**

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

Trade Receivables Ageing Schedule

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment							
	Not Billed	Current but Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	-	117.35	101.06	-	-	-	-	218.41
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
	-	**117.35**	**101.06**	**-**	**-**	**-**	**-**	**218.41**

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment							
	Not Billed	Current but Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	-	129.98	109.61	31.67	-	2.12	0.28	273.66
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	0.03	0.11	0.07	0.36	0.57
Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
	-	**129.98**	**109.61**	**31.70**	**0.11**	**2.19**	**0.64**	**274.23**

No trade or other receivable are due from directors or other officer's of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firm or private companies respectively in which any director is a partner, a director or a member other than stated above.

For terms and conditions related to related party receivables, Refer Note 36

Trade receivables are non-interest bearing and are generally on terms of 15 to 60 days.

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

10A. Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with bank		
- On current account	48.30	16.65
- Deposits with original maturity of less than three months	75.00	213.37
Cash on hand	0.08	0.08
Total cash and cash equivalents	**123.38**	**230.10**
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:		
Balances with bank		
- On current account	48.30	16.65
- Deposits with original maturity of less than three months	75.00	213.37
Cash on hand	0.08	0.08
Cash at bank and cash on hand attributable to discontinued operations (Note 45)	37.23	0.17
Total cash and cash equivalents	**160.61**	**230.27**

10B. Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
- On unpaid dividend account	5.14	4.52
- On account of margin money deposited*	11.23	7.13
Total bank balances other than cash and cash equivalents	**16.37**	**11.65**

* Margin money held with banks against letter of credit and bank guarantee.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates

Changes in liabilities arising from financing activities

Particulars	Current	
	As at March 31, 2023	As at March 31, 2022
Opening balance of borrowings	206.03	41.35
Cash flows	(206.72)	166.71
Changes in fair values	0.69	(2.03)
Closing Balance of borrowings	**-**	**206.03**

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

Changes in liabilities arising from financing activities

Particulars	Non Current	
	As at March 31, 2023	As at March 31, 2022
Opening balance of borrowings	561.43	726.75
Cash flows	(135.68)	(149.41)
Foreign exchange management	1.06	2.05
Changes in fair values	(0.70)	-
Closing balance of borrowings pertaining to Discontinued Operations (Refer Note 45)	78.59	17.96
Closing Balance of borrowings	**347.52**	**561.43**

11A. Loans

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good, unless stated otherwise)		
Loan to employees	0.92	2.01
Loan to subsidiary company (Refer Note 36)	0.14	0.66
Loan to ESOS trust (Refer Note 36 & 43)	-	5.53
Total Loans	**1.06**	**8.20**

No loans are due from directors or other officer's of the Company either severally or jointly with any other person. Not any loans are due from firm or any private companies respectively in which any director is a partner, a director or a member other than stated above.

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risks of the counter parties

Details of Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment :

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
KMPs		
March 31, 2023	0.11	5.90%
March 31, 2022	0.09	1.10%
Related Parties		
March 31, 2023	0.14	7.69%
March 31, 2022	0.66	8.05%

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

Breakup of financial assets carried at amortised cost

Particulars	As at March 31, 2023	As at March 31, 2022
Loans (Refer Note 6A & 11A)	1.82	8.20
Security Deposits (Refer Note 6)	1.93	9.44
Trade receivables (Refer Note 9)	218.41	273.66
Cash and cash equivalents (Refer Note 10A)	123.38	230.10
Investments (Refer Note 5)	379.81	16.56
Other current financial asset at amortised cost (Refer Note 11B)	11.89	5.95
Total financial assets carried at amortised cost	**737.24**	**543.91**

11B. Other current financial asset at amortised cost

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good, unless stated otherwise)		
Export incentives receivable	-	2.94
Subvention receivable	-	2.41
Others	11.89	0.60
(Includes insurance claim receivable)		
Total Other current financial asset at amortised cost	**11.89**	**5.95**

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

12. Income Tax and deferred tax

Non Current tax assets (net)	As at March 31, 2023	As at March 31, 2022
Advance income tax including TDS (net of provisions)	24.02	-
Total	**24.02**	**-**

Current tax liabilities (net)	As at March 31, 2023	As at March 31, 2022
Income tax payable (net of advance taxes and TDS)	-	14.54
Total	**-**	**14.54**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022:

Particulars	As at March 31, 2023	As at March 31, 2022
Accounting profit before tax from continuing operations	1,442.55	574.16
Accounting profit before tax from a discontinued operation	31.92	294.25
Accounting profit before income tax	**1,474.47**	**868.41**
At India's statutory income tax rate of 25.168%	371.09	218.56
Adjustments of tax on following items to arrive at tax as per statement of profit and loss:		
- Depreciation on capital assets not allowable as per Income Tax Act, 1961	1.24	4.36
- Charity, donation and CSR expenses	4.50	2.49
- Deduction under Chapter VI-A of Income Tax Act, 1961	(0.12)	(0.04)
- Dimunition in value of investment	-	6.28
- items disallowed under Income Tax Act, 1961	0.24	-
- Impact on change in indexed cost of acquisition on fair valuation gain of land	(18.33)	(3.34)
- items of capital nature	0.44	0.40
- Others	0.47	2.45
At the effective income tax rate of 24.38% (March 31, 2022: 26.62%)	**359.53**	**231.17**
Income tax expense reported in the statement of profit and loss from continuing operations	356.61	148.92
Income Tax and deferred tax recognised under exceptional items	1.15	-
Deferred tax expense reported in the statement of profit and loss from continuing operations	(5.83)	3.16
Income tax expense reported in the statement of profit and loss from discontinued operations	7.60	79.09
	359.53	**231.17**
Tax adjustments for earlier years	(0.62)	(0.03)
Total tax expenses	**358.91**	**231.14**

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

Deferred tax expense/(income) relates to the following:

Particulars	As at March 31, 2023	As at March 31, 2022
Property, plant and equipment	(43.68)	7.46
Unamortised borrowing costs	(0.23)	0.49
Right to use assets	(0.10)	(0.27)
Unrealised gain on investments at FVTPL	1.22	-
Unrealised gain on investments at FVTOCI	0.48	-
Expenditure allowable on payment basis under Section 43B of Income Tax Act, 1961 & on other items	(0.52)	(1.46)
Lease liabilities	(0.08)	0.13
Other comprehensive income	-	(0.30)
Items under Section 35 DDA of Income Tax Act, 1961	(0.94)	-
Provision for Onerous contract	(1.97)	-
Deferred tax (credit)/expenses	**(45.81)**	**6.04**
Disclosed as follows:		
Deferred tax expenses recognised in Other Comprehensive Income	0.48	0.11
Deferred tax expenses recognised in discontinued operations	3.43	2.77
Deferred tax (credit) recognised under exceptional items	(43.89)	-
Deferred tax (credit) recognised statement profit and loss under tax expense	(5.83)	3.16
Total Deferred tax expense/(income)	**(45.81)**	**6.04**

Deferred tax relates to the following:

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities on:		
Property, plant and equipment	(368.45)	(412.13)
Unamortised borrowing costs	(0.26)	(0.49)
Right to use assets	(2.69)	(2.79)
Unrealised gain on investments at FVTPL	(1.22)	-
Unrealised gain on investments at FVTOCI	(0.48)	-
Deferred tax assets on:		
Expenditure allowable on payment basis under Section 43B of Income Tax Act, 1961 & on other items	4.39	3.87
Lease liabilities	3.48	3.40
Other Comprehensive income	0.30	0.30
items under Section 35 DDA of Income Tax Act, 1961	0.94	-
Provision for onerous contract	1.97	-
Net deferred tax liabilities	**(362.02)**	**(407.83)**
Less: Liabilities directly associated with Discontinued operations disclosed under Note No 45	118.52	-
	(243.50)	**(407.83)**

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Reflected in the balance sheet as follows:		
Deferred tax assets	11.08	7.57
Deferred tax liabilities	(373.10)	(415.40)
Deferred tax liabilities, net	**(362.02)**	**(407.83)**
Less: Liabilities directly associated with Discontinued Operations disclosed under Note No 45	118.52	-
	(243.50)	**(407.83)**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

13. Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless stated otherwise)		
Balances with statutory authorities	7.25	64.97
Advances recoverable in cash or kind	14.92	60.47
Prepaid expenses	2.39	2.55
Gratuity plan asset (net of defined benefit obligation) (Refer Note 32)	1.92	0.50
Others	4.37	5.29
Total other current assets	**30.85**	**133.78**

No advances are due from directors or other officer's of the Company either severally or jointly with any other person. Not any advances are due from firm or any private companies respectively in which any director is a partner, a director or a member other than stated above.

14. Share capital

Authorised share capital

Particulars	Number of Shares (of INR 10 each)	Amount
As at April 01, 2021	17,50,00,000	175.00
Increase/(Decrease) during the year	-	-
As at March 31, 2022	**17,50,00,000**	175.00
Increase/(Decrease) during the year	-	-
As at March 31, 2023	**17,50,00,000**	**175.00**

As a part of the Scheme of Arrangement (Refer Note 45 B), the authorized share capital of the Company will get reduced to INR 140 crores made up of 14,00,00,000 Equity Shares of Re. 10/- each with effect from April 1, 2023.

Notes to the Standalone Financial Statements

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(INR in crores)

Terms / rights attached to equity shares

The Company has one class of equity shares having a par value of INR 10 per share. Each shareholder is entitled to one vote per equity share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting, except in case of interim dividend. In the event of liquidation on the Company, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding. The Company declares and pay dividend in Indian Rupee.

Issued, Subscribed and fully paid up equity shares

Particulars	Number of Shares (of INR 10 each)	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
As at April 01, 2021	9,50,13,286	95.01
Changes in share capital - ESOS issued during the year (July 15, 2021)	3,37,500	0.34
As at March 31, 2022	**9,53,50,786**	**95.35**
Changes in share capital - ESOS issued during the year (May 30, 2022)	2,35,000	0.24
As at March 31, 2023	**9,55,85,786**	**95.59**

Issued, Subscribed and fully paid up equity shares

Particulars	As at March 31, 2023	As at March 31, 2022
Shareholder's holding more than 5% shares		
Promoter & Promoter Group	19.05%	19.07%
DSP Small Cap Fund	6.16%	8.53%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

No shares have been issued by the Company for consideration other than cash, during the year of five years immediately preceding the reporting date.

Shares reserved for issue under options

For details of shares reserved for issue under the Share based payment plan of the company, please Refer Note 33

Details of shares held by promoters as at 31st March 2023

S No.	Particulars	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	% of total shares	% Change during the year*
1	Hindustan Commercial Company Limited	29,44,737		29,44,737	3.08%	0.00%
2	Gems Commercial Company Limited	29,40,207		29,40,207	3.08%	0.00%
3	Banjax Limited	27,89,700		27,89,700	2.92%	0.00%
4	Hexabond Limited	27,18,200		27,18,200	2.84%	0.00%
5	Oval Investment Pvt.Ltd.	25,88,848		25,88,848	2.71%	0.00%

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

S No.	Particulars	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	% of total shares	% Change during the year*
6	Lhonak International Private Limited	13,65,599		13,65,599	1.43%	0.00%
7	Anurag Dalmia Huf	5,72,774	12,350	5,85,124	0.61%	0.01%
8	Carissa Investment Private Limited	4,81,752		4,81,752	0.50%	0.00%
9	Harvatex Engineering and Processing Company Limited	4,15,723		4,15,723	0.43%	0.00%
10	Wgf Financial Services Limited	3,78,807		3,78,807	0.40%	0.00%
11	Anurag Trading Leasing and Investment Company Private Limited	2,87,200		2,87,200	0.30%	0.00%
12	Dalmia Finance Limited	2,00,244		2,00,244	0.21%	0.00%
13	Archana Trading And Investment Company Private Limited	1,32,848		1,32,848	0.14%	0.00%
14	Anurag Dalmia	1,10,000	10,225	1,20,225	0.13%	0.01%
15	Neelabh Dalmia	1,04,500	5,150	1,09,650	0.11%	0.01%
16	Bharatpur Investment Limited	38,842		38,842	0.04%	0.00%
17	Sanjay Trading Investment Company Private Limited	29,100		29,100	0.03%	0.00%
18	General Exports And Credits Limited	17,000		17,000	0.02%	0.00%
19	Golden Tobacco Limited	16,578		16,578	0.02%	0.00%
20	Pashupatinath Commercial Private Limited	15,000		15,000	0.02%	0.00%
21	Sovereign Commercial Private Limited	6,000		6,000	0.01%	0.00%
22	Dalmia Housing Finance Limited	5,707		5,707	0.01%	0.00%
23	Trishul Commercial Private Limited	5,100		5,100	0.01%	0.00%
24	Swastik Commercial Private Limited	3,700		3,700	0.00%	0.00%
25	Alankar Commercial Private Limited	2,600		2,600	0.00%	0.00%
26	Ricklunsford Trade And Industrial Investment Limited	1,960		1,960	0.00%	0.00%
27	Chirawa Investment Limited	1,860		1,860	0.00%	0.00%
28	Mourya Finance Limited	1,860		1,860	0.00%	0.00%
29	Lakshmi Vishnu Investment Limited	1,860		1,860	0.00%	0.00%
30	Sikar Investment Company Limited	1,800		1,800	0.00%	0.00%
31	Antarctica Investment Private Limited	768		768	0.00%	0.00%
32	Comosum Investment Private Limited	701		701	0.00%	0.00%
33	Lovely Investment Private Limited	645		645	0.00%	0.00%
34	Altar Investment Private Limited	318		318	0.00%	0.00%
35	Ilac Investment Private Limited	217		217	0.00%	0.00%
36	Dear Investment Private Limited	55		55	0.00%	0.00%
	Total	**1,81,82,810**	**27,725**	**1,82,10,535**	**19.05%**	**0.03%**

* Change during the year is on account of shares issued pursuant to exercise of employee stock option by the employees.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

Details of shares held by promoters as at 31st March 2022

S No.	Particulars	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	% of total shares	% Change during the year*
1	Hindustan Commercial Company Limited	29,44,737	-	29,44,737	3.09%	0.01%
2	Gems Commercial Company Limited	29,40,207	-	29,40,207	3.08%	0.01%
3	Banjax Limited	27,89,700	-	27,89,700	2.93%	0.01%
4	Hexabond Limited	27,18,200	-	27,18,200	2.85%	0.01%
5	Oval Investment Private Limited	25,88,848	-	25,88,848	2.72%	0.01%
6	Lhonak Enternational Private Limited	13,65,599	-	13,65,599	1.43%	0.01%
7	Anurag Dalmia Huf	5,72,774	-	5,72,774	0.60%	0.00%
8	Carissa Investment Private Limited	4,81,752	-	4,81,752	0.51%	0.00%
9	Harvatex Engineering and Processing Company Limited	4,15,723	-	4,15,723	0.44%	0.00%
10	Wgf Financial Services Limited	3,78,807	-	3,78,807	0.40%	0.00%
11	Anurag Trading Leasing And Investment Companyprivate Limited	2,87,200	-	2,87,200	0.30%	0.00%
12	Dalmia Finance Limited	2,00,244	-	2,00,244	0.21%	0.00%
13	Archana Trading and Investment Company Private Limited	1,32,848	-	1,32,848	0.14%	0.00%
14	Anurag Dalmia	1,00,000	10,000	1,10,000	0.12%	-0.01%
15	Neelabh Dalmia	69,500	35,000	1,04,500	0.11%	-0.04%
16	Bharatpur Investment Limited	38,842	-	38,842	0.04%	0.00%
17	Sanjay Trading Investment Company Private Limited	29,100	-	29,100	0.03%	0.00%
18	General Exports And Credits Limited	17,000	-	17,000	0.02%	0.00%
19	Golden Tobacco Limited	16,578	-	16,578	0.02%	0.00%
20	Pashupatinath Commercial Private Limited	15,000	-	15,000	0.02%	0.00%
21	Sovereign Commercial Private Limited	6,000	-	6,000	0.01%	0.00%
22	Dalmia Housing Finance Limited	5,707	-	5,707	0.01%	0.00%
23	Trishul Commercial Private Limited	5,100	-	5,100	0.01%	0.00%
24	Swastik Commercial Private Limited	3,700	-	3,700	0.00%	0.00%
25	Alankar Commercial Private Limited	2,600	-	2,600	0.00%	0.00%
26	Ricklunsford Trade And Industrial Investment Limited	1,960	-	1,960	0.00%	0.00%
27	Chirawa Investment Limited	1,860	-	1,860	0.00%	0.00%
28	Mourya Finance Limited	1,860	-	1,860	0.00%	0.00%
29	Lakshmi Vishnu Investment Limited	1,860	-	1,860	0.00%	0.00%
30	Sikar Investment Company Limited	1,800	-	1,800	0.00%	0.00%
31	Antarctica Investment Private Limited	768	-	768	0.00%	0.00%
32	Comosum Investment Private Limited	701	-	701	0.00%	0.00%
33	Lovely Investment Private Limited	645	-	645	0.00%	0.00%
34	Altar Investment Private Limited	318	-	318	0.00%	0.00%
35	Ilac Investment Private Limited	217	-	217	0.00%	0.00%
36	Dear Investment Private Limited	55	-	55	0.00%	0.00%
37	Ram Krishna Dalmia Foundation	1,45,000	(1,45,000)	-	0.00%	0.15%
	Total	**1,82,82,810**	**(1,00,000)**	**1,81,82,810**	**19.07%**	**0.17%**

* Change during the year is on account of shares issued pursuant to exercise of employee stock option by the employees.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

15. Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve (Note 15A)	7.57	7.57
Business development reserve (Note 15B)	-	-
Capital redemption reserve (Note 15C)	16.36	16.36
Securities premium (Note 15D)	18.27	10.69
Retained earnings (Note 15E)	3,768.56	2,797.45
Share based payment reserve (Note 15F)	14.51	5.51
Treasury shares (Note 15G)	(5.35)	-
General reserve (Note 15H)	5.45	5.45
FVTOCI reserve (Note 15I)	12.92	13.61
Total	**3,838.29**	**2,856.64**

Movement, nature and purpose of reserves:

15A. Capital reserve

Particulars	Amount
As at April 01, 2021	7.57
Changes during the year	-
As at March 31, 2022	**7.57**
Changes during the year	-
As at March 31, 2023	**7.57**

The Company had recognised cash subsidy received from government on account of its operations, surplus on re-issue of forfeited shares and forfeiture of preferential warrants under capital reserve in earlier years.

15B. Business development reserve

Particulars	Amount
As at April 01, 2021	73.89
Adjustment on account of restatement (Refer note 48)	(73.89)
Restated balance as at April 01, 2021	-
Changes during the year	-
As at March 31, 2022	-
Changes during the year	-
As at March 31, 2023	**-**

In an earlier year, certain property, plant and equipment of the Company were revalued at their respective fair values as determined by Government approved competent valuer appointed by the Company. The amount of such revaluation was transferred to Business Development Reserve, as per Scheme of Arrangement as approved by Hon'ble Gujarat High Court on November 30, 2008. The said reserve has been utilised for creation of deferred tax liabilities on the revaluation of property, plant and equipment during the current year (Refer note 48A).

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

15C. Capital redemption reserve

Particulars	Amount
As at April 01, 2021	16.36
Changes during the year	-
As at March 31, 2022	**16.36**
Changes during the year	-
As at March 31, 2023	**16.36**

In earlier years, an amount of INR 16.36 crores (equivalent to nominal value of the equity shares bought back and cancelled by the Company) has been transferred to Capital Redemption Reserve from General Reserves pursuant to the provisions of Section 69 of the Companies Act, 2013 and the Article 7 of the Article of Association of the Company.

15D. Securities premium

Particulars	Amount
As at April 01, 2021	-
Changes during the year - on account of shares issued pursuant to exercise of employee stock option by the employees	10.69
As at March 31, 2022	**10.69**
Changes during the year - on account of shares issued pursuant to exercise of employee stock option by the employees	7.58
As at March 31, 2023	**18.27**

During the previous year, the Company had issued 3,37,500 equity shares of INR 10 each under ESOS Scheme. The excess of aggregate consideration received over the face value of shares amounting to INR 10.69 crores is credited to Securities premium. Further, during the current year, the Company has issued 2,35,000 equity shares of INR 10 each under ESOS Scheme. The excess of aggregate consideration received over the face value of shares amounting to INR 7.58 crores is credited to Securities premium

15E. Retained earnings

Particulars	Amount
As at April 01, 2021	2,279.83
Adjustment on account of restatements (Refer Note 48)	(67.71)
As at April 01, 2021 (Restated)	**2,212.12**
Changes during the year - Profit for the year	637.27
Changes during the year - Dividend paid during the year	(52.27)
Changes during the year - Other comprehensive income	0.33
As at March 31, 2022	**2,797.45**
Changes during the year - Profit for the year	1,116.71
Changes during the year - Dividend paid during the year*	(142.68)
Changes during the year - Other comprehensive income	(2.92)
As at March 31, 2023	**3,768.56**

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(INR in crores)

Retained earnings are the profit/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement gain / (loss) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

* Net of dividend paid on Treasury shares acquired by GHCL Employees Stock Option Trust.

15F. Share based payment reserve

Particulars	Amount
As at April 01, 2021	11.42
Reserve created during the year	(5.92)
As at March 31, 2022	**5.51**
Reserve created during the year	9.00
As at March 31, 2023	**14.51**

The Company has share option scheme under which options to subscribe for the Company's shares have been granted to certain executives and senior employees.

The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer Note 33 for further details of these plans

15G. Treasury shares

Particulars	Amount
As at April 01, 2021	-
Changes during the year	-
As at March 31, 2022	-
Changes during the year	(5.35)
As at March 31, 2023	**(5.35)**

This reserve represents own equity shares held by GHCL Employees Stock Option Trust

15H. General reserve

Particulars	Amount
As at April 01, 2021	5.45
Changes during the year	-
As at March 31, 2022	5.45
Changes during the year	-
As at March 31, 2023	**5.45**

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

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15I. FVTOCI reserve

Particulars	Amount
As at April 01, 2021	12.29
Changes during the year	1.32
As at March 31, 2022	13.61
Changes during the year	(0.69)
As at March 31, 2023	**12.92**

The Company recognises the profit or loss on fair value of investments under fair value through other comprehensive income (FVTOCI) reserve

Total as at March 2021	2,406.81
Total as at March 2022	2,856.64
Total as at March 2023	**3,838.29**

Distributions made and proposed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2022: INR 15.00 per equity share (including INR 5.00 per equity share as a special dividend) (March 31, 2021: INR 5.50 per equity share) *	142.68	52.27
	142.68	**52.27**

* Net of dividend paid on Treasury shares of INR 0.70 crores acquired by GHCL Employees Stock Option Trust

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Proposed dividends on equity shares:		
Proposed dividend for the year ended on March 31, 2023: INR 17.50 per equity share (March 31, 2022: INR 15.00 per equity share (including INR 5.00 per equity share as a special dividend)**	166.46	143.03
	166.46	**143.03**

** Net of dividend proposed on Treasury shares of INR 0.82 crores acquired by GHCL Employees Stock Option Trust

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability as at year end

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16. Borrowings

16A. Non-current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Term loans		
From banks		
Rupee term loans (secured)	242.62	415.64
Foreign currency loans (secured)	-	8.96
Total non-current borrowings	**242.62**	**424.60**
Current borrowings		
Short term loans from banks	-	196.03
Interest Accrued but not due on borrowings	1.48	2.02
Short term loans from banks	-	9.99
Current maturities of long term loan		
-Rupee term loans (secured)	103.42	130.81
-Foreign currency loans (secured)	-	3.99
Total current borrowings	**104.90**	**342.85**
Total	**347.52**	**757.46**
Aggregate secured loans	-	-
Aggregate unsecured loans	-	10.00

16.1 Term loans from Banks / institutions have been secured against: -

a) Loan aggregating to INR 3.81 crores (March 31, 2022 INR 12.83 crores) is secured by exclusive charge on the specific fixed assets created out of the proceeds of the loan for Company's Soda Ash Division situated at village Sutrapada, Veraval in Gujarat. The said loan carries interest rate ranging from 7.50% to 8.65%. The said loan is repayable in 3 installments till December 2023.

b) Loan aggregating to INR 342.23 crores (March 31, 2022 INR 441.42 crores) is secured by way of first pari passu charge on movable fixed assets of Soda Ash Division situated at village Sutrapada, Veraval, Gujarat excluding assets exclusively charged to other lenders both present and future. The said loans carries interest rates ranging from 6.60% to 8.65%. The remaining tenure of the loans is 2 to 6 years

c) Loan aggregating to INR 69.62 crores (March 31, 2022 INR 92.21 crores) is secured by exclusive charge on the specific fixed assets created out of the proceeds of the loan for Company's Textile Division situated at Madurai, Tamil Nadu. The remaining tenure of the loans is 2 to 5 years. The said loan carries interest rate ranging from 7.25% to 8.80%. The said loan has been disclosed as Discountinued Operations of Spinning Division and is not included in above table (Refer Note 45).

d) Loan aggregating to INR 8.97 crores (March 31, 2022 12.95 crores) is secured by an exclusive first charge over movable fixed assets pertaining to Windmill Project situated at Tirunelveli District, Tamilnadu, both present and future, created out of the proceeds of the loan. The said loan carries interest rate ranging from 3.21% to 7.01% (excluding forward premium). The remaining tenure of the loan is 2 years. The said loan has been disclosed as Discountinued Operations of Spinning Division and is not included in above table (Refer Note 45)

e) Out of all the aforesaid secured Loans appearing in Note 16 (1) (a) to 16 (1) (b) totaling Rs. 346.04 crores (March 31, 2022 INR 559.40 crores), an amount of Rs. 103.42 crores (March 31, 2022 INR 134.80 crores) is due for payment in next 12 months and accordingly reported under Note 16(b) under the head "Short term borrowings" as "current maturities of Long Term Borrowings"

Notes to the Standalone Financial Statements
as at and for the year ended March 31, 2023
(INR in crores)

16B.Current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Short term loans from banks (secured)		
Interest accrue but not due on borrowings	1.48	2.02
Working capital demand loan	-	195.00
Sales bill discounting	-	1.03
Secured short term borrowings	**1.48**	**198.05**
Current maturities of long term borrowings	103.42	134.80
Total secured short term borrowing	**104.90**	**332.85**
Short term loans from banks - (unsecured)		
Short term loan	-	10.00
Total unsecured short term borrowing	-	10.00
Total	**104.90**	**342.85**

16.2 Short term borrowings: This facility is secured by way of hypothecation on inventory and trade receivables and borrowed as under:

(a) Credit Facilities in Indian Rupees: The facilities availed by way of cash credit and working capital demand loan were repayable on demand and carried an average interest rate of 4.90% p.a on the amount outstanding.

(b) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

16.3 The Company has satisfied all the loan covenants

16.4 As at March 31 2023, the Company had available INR 300 crores (As at March 31 2022: INR 242 crores) of undrawn committed borrowing facilities. Further, the Company also has undrawn committed borrowing facilities of INR 300 crores in respect of its Discountinued Spinning Division disclosed as Discountinued Operation (Refer Note 45)

17. Provisions

17A. Long term provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Mines restoration*	5.77	7.62
Total	**5.77**	**7.62**

* The Company provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the year of estimated mineral reserves and a provision is made based on minerals extracted during the year. The total estimate of restoration expenses is reviewed yearly, on the basis of technical estimates.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

Movement of provisions

Particulars	As at March 31, 2023	As at March 31, 2022
At the beginning of the year	7.62	3.02
Arising during the year	0.60	7.17
Utilised	(2.45)	(2.57)
At the end of the year	**5.77**	**7.62**

17B. Short term provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for compensated absences	12.06	11.97
Total	**12.06**	**11.97**

18. Trade Payables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 18B for details of dues to micro and small enterprises)	36.91	41.67
- Total outstanding dues of creditors other than micro enterprises and small enterprises	206.02	300.13
	242.93	**341.80**
Trade payables to others	238.93	338.61
Trade payables to Related parties	4.00	3.19
	242.93	**341.80**

18A. Trade Payables Ageing Schedule :

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	36.91	-	-	-	-	36.91
Total outstanding dues of creditors other than micro enterprises and small enterprises	94.16	70.94	38.12	2.69	0.04	0.07	206.02
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**94.16**	**107.84**	**38.12**	**2.69**	**0.04**	**0.07**	**242.93**

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	41.67	-	-	-	-	41.67
Total outstanding dues of creditors other than micro enterprises and small enterprises	78.64	125.94	86.27	4.48	2.03	2.77	300.13
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**78.64**	**167.61**	**86.27**	**4.48**	**2.03**	**2.77**	**341.80**

18B. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 :

Particulars	As at March 31, 2023	As at March 31, 2022
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	36.91	41.67
- Interest due on above	-	-
ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
- Principal	-	25.14
- Interest	0.00	0.45
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Notes to the Standalone Financial Statements

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(INR in crores)

19. Financial Liabilities

19A Derivative instruments

Particulars	As at March 31, 2023	As at March 31, 2022
Derivative instruments at fair value through profit or loss		
Derivatives not designated as hedges		
Foreign exchange forward contracts	3.58	1.46
Total derivative instruments	**3.58**	**1.46**

While the Company entered into foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected sales and purchases, these other contracts are not designated in hedge relationships and are measured at fair value through profit or loss

19B Other financial liabilities Current

Particulars	As at March 31, 2023	As at March 31, 2022
Dealer deposits *	5.20	5.02
Security deposits	0.93	0.95
Capital creditors	14.05	28.11
Unpaid dividend	5.14	4.52
Interest accrued	-	0.11
Others**	0.50	300.70
	25.82	**339.41**

* Dealer deposits for Soda Ash division are interest bearing. Interest payable is normally settled annually

**Previous year's figure includes amount received from M/s Indo Count Industries Limited of INR 300 crores on account of the sale of the Vapi division, Refer Note 45

20. Other Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues	34.71	43.91
Others	-	0.14
Total other liabilities	**34.71**	**44.05**

Notes to the Standalone Financial Statements

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(INR in crores)

21. Revenue from operations - Revenue from contracts with customers

1) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	As at March 31, 2023	As at March 31, 2022
Type of goods or service		
Sale of manufactured products		
- Soda Ash	4,171.41	2,820.01
- Consumer Products	28.55	15.44
Sale of traded products		
- Consumer Products	29.57	24.32
- Soda Ash	315.89	192.38
Total revenue from contracts with customers	**4,545.42**	**3,052.14**
India	4,362.55	2,898.94
Outside India	182.87	153.20
Total revenue from contracts with customers	**4,545.42**	**3,052.14**
Timing of revenue recognition		
Goods transferred at a point in time	4,545.42	3,052.14
Total revenue from contracts with customers	**4,545.42**	**3,052.14**

2) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables *	218.41	273.66
Contract liabilities		
- Advances from customers**	2.68	7.08

* Trade receivables are non-interest bearing and are generally on terms of 15 to 60 days

** Advances from customers relate to payments received in advance of performance under the contract. Advances from customers are recognized as revenue as (or when) the Company performs under the contract.

3) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue as per contracted price	4,685.93	3,203.85
Adjustments :		
Sales return	(4.99)	-
Rebates	0.62	0.39
Discounts	(136.14)	(152.10)
Revenue from contract with customers	**4,545.42**	**3,052.14**

Notes to the Standalone Financial Statements

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4) The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2023 are, as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from customers	2.68	7.08
Revenue from contract with customers	**2.68**	**7.08**

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting year will be recognised as revenue during the next financial year.

22. Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest income from financial assets measured at amortised cost		
- from Bank deposits	1.41	0.39
(b) Others		
Dividend income	0.13	0.05
Gain on foreign exchange (net)	0.86	-
Profit on sale of current investments	11.89	0.51
Fair value gain on investments at FVTPL	4.86	-
Insurance claims received	10.90	-
Sale of scrap	5.47	5.97
Miscellaneous income	3.11	1.72
	38.63	**8.64**

23. Cost of raw materials consumed (Refer Note 42)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory at the beginning of the year	333.74	158.67
Add: Purchases	1,405.20	1,125.61
	1,738.94	**1,284.28**
Less: Inventory at the end of the year (net of inventory amounting to Nil (March 31, 2022: INR 225.95 crores pertaining to discontinued operations)	(457.04)	(333.74)
Cost of raw material consumed	**1,281.90**	**950.54**

Notes to the Standalone Financial Statements

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(INR in crores)

24. (Increase)/decrease in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock		
Finished goods	96.81	172.80
Adjustment on account of discontinued operations - Finished Goods	(30.96)	(86.09)
Work in progress	27.92	62.96
Adjustment on account of discontinued operations - work in progress	(22.21)	(58.83)
Stock-in-trade	54.33	22.32
	125.89	**113.16**
Closing stock		
Finished goods	97.28	96.81
Adjustment on account of discontinued operations - Finished Goods	-	(30.96)
Work in progress	7.21	27.92
Adjustment on account of discontinued operations - work in progress	-	(22.21)
Stock-in-trade	33.57	54.33
	138.06	**125.89**
(Increase) in inventories of Finished Goods, Stock-in-trade and Work-in-progress	**(12.18)**	**(12.73)**

25. Employee benefit expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	109.40	97.09
Contribution to provident and other funds	6.19	5.98
Share based payment expenses (Refer Note 33)	12.34	0.04
Gratuity expenses (Refer Note 32)	2.66	2.34
Staff welfare expenses	3.10	2.61
	133.70	**108.06**

26. Depreciation and amortization expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of tangible assets (Refer Note 3)	90.94	82.67
Amortization of intangible assets (Refer Note 4)	1.38	2.77
Depreciation of right-of-use assets (Refer Note 34)	1.90	1.49
	94.22	**86.93**

Notes to the Standalone Financial Statements

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(INR in crores)

27. Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Interest expenses :		
Interest on borrowings	31.02	37.13
(Net of TUF interest subsidy amounting to Rs. Nil (March 31, 2022 INR 2.12 crores)	-	
Exchange differences regarded as an adjustment to borrowing costs	-	3.66
Interest on others	1.59	0.38
Interest on lease liabilities (Refer Note 34)	1.37	1.41
Interest on Income Tax	0.45	3.98
b) Other Borrowing Costs		
Bank charges	4.24	4.78
	38.67	**51.34**

28. Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of stores and spares	42.30	47.29
Loss due to flood	-	4.40
Other manufacturing expenses	37.06	33.03
Packing expenses	49.61	45.61
Bad debts - written off	0.01	0.33
Freight and forwarding charges	230.22	247.59
Commission on sales	2.63	3.07
Travelling and conveyance	8.14	5.28
Rent	2.65	2.87
Repairs and maintenance :		
Plant and machinery	18.67	17.36
Buildings	1.31	1.08
Others	6.86	7.80
Rates and taxes	0.64	0.50
Insurance	16.87	13.70
Loss on sales/discard of property, plant and equipment and assets held for sales (net)	16.22	2.15
Commission to Non Whole time Directors	4.44	3.54
Communication expenses	1.36	0.83
Legal and professional expenses	11.57	16.61
Donation	0.06	0.01
Donation to Political Parties	5.50	-
CSR Expenditure (refer details below)	12.31	9.85
Loss on foreign exchange (net)	-	1.03
Miscellaneous expenses	14.43	10.89
	482.85	**474.82**

Notes to the Standalone Financial Statements

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(INR in crores)

28A.Payment to Auditors :

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
To Statutory Auditor:		
Audit fee	0.57	0.57
Limited reviews	0.75	0.75
In other capacity		
Other services (certification fees)	0.18	0.33
Reimbursements of expenses	0.05	0.02
	1.55	**1.67**
To Cost Auditor :		
Audit fee	0.03	0.03
Out of pocket expenses	0.00	0.00
	0.03	**0.03**

28B.Details of CSR expenditure:

	Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
a	Gross amount required to be spent by the Company during the year		11.76	9.79
b	Amount approved by the Board to be spent during the year		12.01	9.83
c	**Amount spent during the year ending on 31st March, 2023:**	**In cash**	**Yet to be paid in cash**	**Total**
	i) Construction / acquisition of any asset	-	-	-
	ii) On purpose other than (i) above	12.31	-	12.31
d	**Amount spent during the year ending on 31st March, 2022:**	**In cash**	**Yet to be paid in cash**	**Total**
	i) Construction / acquisition of any asset	0.00	-	0.00
	ii) On purpose other than (i) above	9.85	-	9.85
e	Details related to spent / unspent obligations:			
	i) Contribution to Public Trust		-	-
	ii) Contribution to Charitable Trust		12.31	9.85
	iii) Unspent amount in relation to:			
	- Ongoing project		-	-
	- Other than ongoing project		-	-

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29. Components of Other comprehensive income (OCI)

Particulars	FVTOCI reserve	Retained earnings	Total
The disaggregation of changes to OCI by each type of reserve in equity is shown below:			
During the year ended March 31, 2023			
Re-measurement gain/(loss) on defined benefit plan (net of tax)	-	(3.40)	(3.40)
Re-measurement gain/(loss) on investment in equity (net of tax)	(0.21)	-	(0.21)
	(0.21)	**(3.40)**	**(3.61)**
During the year ended March 31, 2022			
Re-measurement gain/(loss) on defined benefit plan (net of tax)	-	0.33	0.33
Re-measurement gain/(loss) on investment in equity (net of tax)	1.32	-	1.32
Total	**1.32**	**0.33**	**1.65**

30 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares

The following reflects the income and share data used in computation of Basic EPS:	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit attributable to the equity holders of the Company from :		
- Continuing operations	1,092.39	422.11
- Discontinued operation	24.32	215.16
Profit attributable to equity holders for basic earnings (C=(A)+(B))	**1,116.71**	**637.27**
Weighted average number of equity shares for basic EPS*	9,50,81,527	9,52,53,697
Basic earnings per share (Face value of INR 10/- per equity share)		
- Continuing operations	114.89	44.31
- Discontinued operation	2.56	22.59
The following reflects the income and share data used in computation of Diluted EPS :		
Profit attributable to the equity holders of the Company from		
- Continuing operations	1,092.39	422.11
- Discontinued operation	24.32	215.16
Profit attributable to equity holders adjusted for the effect of dilution(C=(A)+(B))	**1,116.71**	**637.27**
Weighted average number of equity shares and common equivalent shares outstanding for computing Diluted EPS*	9,50,81,527	9,55,45,654
Diluted earnings per equity share - (face value of INR 10/- per equity share)		
- Continuing operations	114.89	44.18
- Discontinued operation	2.56	22.52
***Weighted average number of Equity shares adjusted for the effect of dilution**		

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The following reflects the income and share data used in computation of Basic EPS:	For the year ended March 31, 2023	For the year ended March 31, 2022
Weighted average number of equity shares for Basic EPS	9,50,81,527	9,52,53,697
Effect of dilution:		
Employee Share Option Scheme	(62,410)	2,91,957
Weighted average number of equity shares and considered**	9,50,19,117	9,55,45,654

* net of treasury shares as at March 31, 2023

**The effect of dilution on weighted average number of equity shares is anti dilutive (refer below details). Therefore, weighted average number of equity shares considered for Basic EPS and Diluted EPS are same

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

31 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures and disclosure of contingent liabilities. Uncertainty about the assumptions and estimates could result in outcomes that require a material adjustment to the carrying value of assets or liabilities affected in future periods.

Other disclosures relating to the Company's exposure to risks and uncertainties includes

- Financial risk management objectives and policies in Note 40
- Sensitivity analyses disclosures in Note 32 and Note 40

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:Judgements

(i) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have significant effect on the amounts recognised in the Standalone's financial statements:

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable year of a lease, together with both years covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and years covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable year of a lease

Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform the irrespective obligations under the contract, and the contract is legally enforceable

The Company's contracts with customers could include promises to transfer multiple product. The Company assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables

Judgement is also required to determine the transaction price for the contract and to ascertain the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, cash discount, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to

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(INR in crores)

the transaction price, unless it is a payment for a distinct product from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting year. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss.

Assessment of equity instruments

The Company has designated investments in equity instruments as FVTOCI investments since the Company expects to hold these investment with no intention to sale. The difference between the instrument's fair value and Indian GAAP carrying amount has been recognized in retained earnings.

(ii) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur

(iii) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to impairment assessment of Property plant and equipment

(iv) Share-based payments

For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses a Black-Scholes model for Employee Share Option Plan (ESOP). The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 33

(v) Useful lives of Property, plant and equipment

The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset. The Company reviews the useful life of Property, plant and equipment at the end of each reporting date.

(vi) Post-retirement benefit plans

Employee benefit obligations (gratuity obligation) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about gratuity obligations are given in Note 32.

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(vii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 41 for further disclosures.

(viii)Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

(ix) Judgements, estimates and assumptions for Discontinued operations

a) Pursuant to the terms of the BTA, certain assets pertaining to Home Textile Business and Spinning Division are pass through in nature (i.e. the beneficial ownership of these assumed assets continued to be with the Company) such as export incentives receivable, claims receivables which would be transferred immediately to the Company by the Purchaser whenever received post-closing date. Consequently, such receivables have been retained by the Company and is forming part of the continuing operations.

b) Contingent liabilities of the Home Textile business and Spinning Business have been reported on the basis of list of assumed litigations read with excluded liabilities as per the terms specified in the BTA subject to the amendments and substitution vide Supplemental BTA.

32 Defined benefit and contribution plan

Defined contribution plan

The Company makes contributions towards provident fund and superannuation fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. Contribution paid for provident fund and superannuation fund are recognised as expense for the year

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Employer's contribution to provident fund/pension scheme	4.55	4.35
Employer's contribution to superannuation fund	1.16	1.19
(excluding INR 3.23 crores (March 31, 2022 INR 5.66 Crores) pertaining to Discontinued Operations)		

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(INR in crores)

Defined benefit plan

Gratuity (funded)

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of the obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Employees who are in continuous service for a year of 5 years are eligible for gratuity. The amount of gratuity payable to an employee upon leaving the Company is the 50% of Fixed cost to Company per month computed proportionately for 15/26 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to Gratuity Trust registered under Income Tax Act, 1961.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2023. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The plan assets are managed by the Gratuity Trust formed by the Company. The management of 100% of the funds is entrusted according to norms of Gratuity Trust, whose pattern of investment is available with the Company.

Changes in the defined benefit obligation and fair value of plan assets (in respect of gratuity fund) as at March 31, 2023

Particulars	Gratuity cost charged to profit and loss						Re-measurement (gains) / losses in other comprehensive income					
	As at April 01, 2022	Service cost	Net interest expense/ (Income)	Amount included in profit or loss -discontinued operations	included in profit or loss -Continued operations *"	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions/ Demographic Assumptions	Experience adjustment	Subtotal included in OCI	Contributions by employer	As at March 31, 2023
Defined benefit obligation	49.81	3.55	3.41	0.77	6.19	(13.00)		2.28	1.88	4.16	-	47.93
Fair value of plan assets	50.31		(3.44)		(3.44)	(8.17)	(0.26)			(0.26)	4.00	49.84
Benefit assets	**(0.50)**			**0.77**	**2.75**					**3.90**		**(1.92)**

* The Gratuity Cost charged to profit or loss amounting INR 0.09 crore (March 31, 2022 INR 0.14 crore) pertains to employees of captive production units and has been included in raw material and power & fuel costs as explained in Note No. 42

Changes in the defined benefit obligation and fair value of plan assets (in respect of gratuity fund) as at 31st March 2022:

Particulars	Gratuity cost charged to profit and loss						Re-measurement (gains) / losses in other comprehensive income					
	As at April 01, 2021	Service cost	Net interest expense/ (Income)	Amount included in profit or loss -discontinued operations	included in profit or loss -Continued operations *"	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions/ Demographic Assumptions	Experience adjustment	Subtotal included in OCI	Contributions by employer	As at March 31, 2022
Defined benefit obligation	49.17	3.36	3.19	1.02	5.53	(5.67)		1.10	1.34	(0.24)	-	49.81
Fair value of plan assets	47.05		(3.05)		(3.05)	-	(0.21)			(0.21)	-	50.31
Total	2.12			1.02	2.48					0.45		(0.50)

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The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Insurance fund	49.84	50.31

Particulars	As at March 31, 2023	As at March 31, 2022
The principal assumptions used in determining gratuity are:		
Mortality table - LIC	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Discount rate	7.39%	6.84%
Estimated rate of return on plan assets	7.39%	6.84%
Estimated future salary growth	10.00%	8.00%
Rate of employee turnover	11.50%	11.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2023 is as shown below:

Assumptions	Employee turnover		Salary		Discount rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.28)	0.31	1.80	(1.66)	(1.68)	1.86

A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is as shown below:

Assumptions	Employee turnover		Salary		Discount rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.18)	0.19	1.81	(1.67)	(1.67)	1.85

The following payments are projected benefits payable in future years from the date of reporting from the fund:

Particulars	As at March 31, 2023	As at March 31, 2022
Within the next 12 months (next annual reporting year)	12.27	15.56
2nd Following Year	5.79	5.54
3rd Following Year	6.53	6.93
4th Following Year	6.21	5.35
5th Following Year	7.35	4.95
Sum of Years 6 to 10	13.95	14.03
Sum of Years 11 and above	16.39	15.84
Total expected payments	68.49	68.20

The average duration of the defined benefit plan obligation at the end of the reporting year is 5 years (March ,31 2022: 5 years).

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Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest rate Risk:	A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher proportion. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Salary Risk:	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
Investment Risk:	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting year on Government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in Government securities, and other debt instruments.
Asset Liability Matching Risk:	The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM Risk.
Mortality Risk:	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Concentration Risk:	Plan is having a concentration risk all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow regulatory guidelines which mitigate risk

33 Share based compensation

In accordance with the Securities and Exchange Board of India (share based employee benefits) Regulations, 2014 and the Guidance Note on accounting for 'Employees share-based payments, the Scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the Company. To have an understanding of the Scheme, relevant disclosures are given below.

a) As approved by the shareholders at their Annual General Meeting held on 23rd July 2015, the Company has got 50,00,000 number of Options under the Employee Stock Option Scheme "GHCL ESOS 2015". The following details show the actual status of ESOS granted during the financial year ended on March 31, 2023.

b) During the year 95,000 equity share options lapsed upon cessation of employment.

The relevant details of the Scheme are as under

Particulars	Grant 3		Grant 5	Grant 6	
Date of Grant	24-Oct-2017	24-Oct-2017	25-Apr-2018	25-Apr-2018	25-Apr-2018
Date of Board approval	24-Oct-2017	24-Oct-2017	25-Apr-2018	25-Apr-2018	25-Apr-2018
Date of shareholder's approval	23-Jul-2015	23-Jul-2015	23-Jul-2015	23-Jul-2015	23-Jul-2015
Number of options granted	25,000	25,000	6,10,000	15,000	15,000
Method of settlement	Equity	Equity	Equity	Equity	Equity
Vesting year (see table below)					
Fair value on the date of grant (In Rs)	110.59	123.20	183.41	183.41	192.68
Exercise year	5 Years	5 Years	5 Years	5 Years	5 Years
Vesting conditions	As per policy approved by Shareholders	As per policy approved by Shareholders	As per policy approved by Shareholders	As per policy approved by Shareholders	As per policy approved by Shareholders

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Details of the vesting year are:

Vesting year from the Grant date	Grant 3		Grant 5	Grant 6	
On completion of 12 months	25,000	-	-	-	-
On completion of 24 months	-	25,000	-	-	-
On completion of 36 months	-	-	6,10,000	15,000	
On completion of 48 months			-	-	15,000

Particulars	Grant 7		Grant 8			Grant 9
Date of Grant	25-Apr-2018	25-Apr-2018	25-Apr-2018	25-Apr-2018	25-Apr-2018	30-Apr-2022
Date of Board approval	25-Apr-2018	25-Apr-2018	25-Apr-2018	25-Apr-2018	25-Apr-2018	30-Apr-2022
Date of shareholder's approval	23-Jul-2015	23-Jul-2015	23-Jul-2015	23-Jul-2015	23-Jul-2015	23-Jul-2015
Number of options granted	25,000	25,000	60,000	60,000	60,000	8,11,000
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity
Vesting year (see table below)						
Fair value on the date of grant (In Rs)	183.41	192.68	183.41	192.68	200.98	201.67
Exercise year	5 Years	5 Years	5 Years	5 Years	5 Years	5 Years
Vesting conditions	As per policy approved by Shareholders	As per policy approved by Shareholders	As per policy approved by Shareholders	As per policy approved by Shareholders	As per policy approved by Shareholders	As per policy approved by Shareholders

Details of the vesting year are:

Vesting year from the Grant date	Grant 7		Grant 8			Grant 9
On completion of 12 months						8,11,000
On completion of 36 months	25,000	-	60,000	-	-	-
On completion of 48 months	-	25,000	-	60,000	-	-
On completion of 60 months	-	-	-	-	60,000	

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Set out below is a summary of options granted under the plan:

	As at March 31, 2023		As at March 31, 2022	
	Total No. of Stock options	Weighted average exercise price	Total No. of Stock options	Weighted average exercise price
Options outstanding at beginning of year	3,05,000	150	6,67,500	150
Options granted during the year	8,11,000	574	-	-
Options forfeited/lapsed during the year	95,000	284	25,000	150
Options exercised during the year	2,35,000	150	3,37,500	150
Options expired during the year	-	-	-	-
Options outstanding at end of year	7,86,000	571	3,05,000	150
Options vested but not exercised during the year	5,000	170	7,500	170

The details of activity of the Scheme have been summarized below:-

Particulars	As at March 31, 2023					Total
	Grant 3		Grant 5	Grant 6		
	Number of options	Number of options	Number of options	Number of options	Number of options	Number of options
Outstanding at the beginning of the year	5,000	2,500	2,10,000	5,000	10,000	2,32,500
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	10,000	10,000
Exercised during the year	-	2,500	2,10,000	5,000	-	2,17,500
Expired during the year	-	-		-	-	-
Outstanding at the end of the year	5,000	-	-	-	-	5,000
Exercisable at the end of the year	5,000	-	-	-	-	5,000
Weighted average remaining contractual life (in years)	-	-	-	-	-	
Weighted average fair value of options granted during the year	110.59	123.20	183.41	183.41	192.68	

Particular	Grant 3		Grant 5	Grant 6	
Date of Grant	24-Oct-2017	24-Oct-2017	25-Apr-2018	25-Apr-2018	25-Apr-2018
Stock price at the date of Grant	251.05	251.05	286.5	286.5	286.5
Exercise price	170	170	150	150	150
Expected volatility	36.77	36.77	39.51%	39.51%	39.51%

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Particular	Grant 3		Grant 5	Grant 6	
Expected life of the option	2	3	4	4	5
Risk free interest rate %	6.762	6.762	7.647	7.647	7.647
Weighted average fair value as on grant date	110.59	123.20	183.41	183.41	192.68
Model Used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

Assumption of the model

Particulars	Grant 7		Grant 8			Grant 9	Total	Grand Total of ESOS
	Number of options	Number of options	Number of options	Number of options	Number of options	Number of options	Number of options	Number of options
Outstanding at the beginning of the year	7,500	15,000	10,000	20,000	20,000	-	72,500	3,05,000
Granted during the year		-	-	-	-	8,11,000	8,11,000	8,11,000
Forfeited during the year	-	15,000	-	20,000	20,000	30,000	85,000	95,000
Exercised during the year	7,500	-	10,000	-	-		17,500	2,35,000
Outstanding at the end of the year	-	-	-	-	-	7,81,000	7,81,000	7,86,000
Exercisable at the end of the year	-	-	-	-	-		-	5,000
Weighted average remaining contractual life (in years)	-	-	-	-	-	0.07		
Weighted average fair value of options granted during the year	183.41	192.68	183.41	192.68	200.98	201.67		

Particulars	Grant 7		Grant 8			Grant 9
Date of Grant	25-Apr-2018	25-Apr-2018	25-Apr-2018	25-Apr-2018	25-Apr-2018	30-Apr-2022
Stock price at the date of Grant	286.5	286.5	286.5	286.5	286.5	619.25
Exercise price	150	150	150	150	150	574
Expected volatility	39.51%	39.51%	39.51%	39.51%	39.51%	43.56%
Expected life of the option	4	5	4	5	6	2
Risk free interest rate (%)	7.647	7.647	7.647	7.647	7.647	6.680
Weighted average fair value as on grant date	183.41	192.68	183.41	192.68	200.98	201.67
Model Used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

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34 Leases

Company as a lessee

The Company has lease contracts for various items of Building and Salt works (fields taken on lease for salt production) in its operations. Leases of Building generally have lease terms between 1 and 9 years, while salt works generally have lease term of 30 years. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios. There are no major lease contracts that include extension and termination options and variable lease payments.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Leasehold building	Saltworks	Total
At 1st April 2021	5.23	6.93	12.16
Additions	1.00	-	1.00
Depreciation expense	(1.11)	(0.38)	(1.49)
Termination	(0.13)	-	(0.13)
As at March 31, 2022	4.99	6.55	11.54
Additions	1.05	-	1.05
Depreciation expense	(1.50)	(0.40)	(1.90)
As at March 31, 2023	**4.54**	**6.15**	**10.68**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	14.10	14.01
Additions	1.05	1.00
Accretion of interest	1.37	1.41
Payments	(2.68)	(2.28)
Termination	-	(0.04)
Balance at the end of the year	**13.84**	**14.10**
Current	1.35	1.11
Non-current	12.49	12.99

The maturity analysis of lease liabilities are disclosed in Note 40.
The effective interest rate for lease liabilities is 10%.

The following are the amounts recognised in statement of profit or loss

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation expense of right-of-use assets	1.90	1.49
Interest expense on lease liabilities	1.37	1.41
Expense relating to short-term leases *	2.65	2.87
Total amount recognised in profit or loss	5.92	5.77

*Expenses relating to short - term leases does not include figures from discontinued operations amounting INR 0.41 Crore (Previous Year INR 0.94 crore).

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The Company had total cash outflows including discontinued operations for leases of INR 5.74 crores in March 31, 2023 (INR 6.09 crores in March 31, 2022). There are no non cash additions to right-of-use assets and lease liabilities. There are no future cash outflows relating to leases that have not yet commenced.

35 Commitments and contingencies

Particulars	As at March 31, 2023	As at March 31, 2022
a) Estimated value of contracts remaining to be executed on Capital Account and not provided for (excluding INR 188.25 crores pertaining to Discontinued Operations as at March 31, 2023)	89.06	293.67
b) Contingent liabilities :		
- Claims against the Company not acknowledged as debts*		
- Income tax	12.31	12.78
- Sales tax / VAT	0.04	0.04
- Excise, Custom & Service Tax (excluding INR 0.03 crores pertaining to Discontinued Operations as at March 31, 2023)	131.87	127.36
- Unpaid labour dues (excluding INR 1.57 crores pertaining to Discontinued Operations) #	3.00	4.57
- Other claims (excluding INR 4.12 crores pertaining to Discontinued Operations) ##	11.76	17.93

* Cases pending before Appellate Authorities/Dispute Resolution Panel in respect of which the Company has filed appeals.

On the basis of current status of individual case for respective years and as per legal advice obtained by the Company, wherever applicable, the Company is confident of winning the above cases and is of the view that no provision is required in respect of above cases.

Government of India vide its notification dated March 29, 2020, issued under the National Disaster Management Act 2005, directed that all employers shall make full payment of wages, of their workers at their workplaces, for the period of closure under the lockdown. Subsequently on the petition filed by some of the employers against the aforementioned notification , the Hon'ble Supreme Court of India, passed an interim order dated June 12, 2020 and directed employers to enter into a negotiation and settlement with workers for wages payment during the lockdown period. The aforesaid notification also stands withdrawn w.e.f May 18, 2020. In the meanwhile, the Company had made payments to its workers and will do the final settlement if any as per the final order of the Hon'ble Supreme Court of India. If the Hon'ble Supreme Court upheld the notification of Government of India, the Company will have to pay further wages of INR 4.57 crores to the workers, whereas based on the management's assessment the chances of the same is remote.

##Claims under this heading relate to legal cases pending in different courts under the jurisdiction of Gujarat High Court and the courts subordinate to it. Some of the cases relates to execution of ex-parte foreign decrees which are not enforceable in India. Certain claims relate to contractor's workmen, whose services have been terminated by the concerned contractor and the matter is in between the contractor and their workmen and GHCL is made a party to the dispute only. Other cases relate to some ex-workmen who after opting VRS scheme duly approved by the regional Labour Officer challenged the same and this case is a week case since workmen have already lost one round of litigation till Hon'ble SC where directions were issued to deposit the entire amount received during VRS before initiating the legal proceedings. Apart from theses certain civil disputes are also pending which on merit are weak and GHCL has fair chances in winning these cases. Further, a matter relating to payment of water dues is under dispute with Water Dam Authorities.

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Particulars	As at March 31, 2023	As at March 31, 2022
The aforesaid Appendix did not have an impact on the financial statements of the Company.		
(c) Guarantees:		
Corporate guarantee to Bank on behalf of erstwhile subsidiaries of the Company	3.06	3.00
(d) EPCG Commitment (Value of Exports) - The Company has contingency of INR 23.83 crores (pertaining to Discontinued Operations) against export obligations to the extent of INR 440.62 crores (as at March 31, 2022 INR 412.01 crores) on account of concessional rates of import duties paid on capital goods under the Export Promotion Capital Goods Scheme enacted by the Government of India which is to be fulfilled over the next six years. Due to the remote likelihood of the Company being unable to meet its export obligations, the Company does not anticipate a loss with respect to these obligations and hence has not made any provision in its financial statements.	-	33.74*

*For Discontinued Operation (Home Textile) EPCG commitment is INR 4.16 Crore

36 Related Party Transactions

a) The following table provides the list of related parties and total amount of transactions that have been entered into with related parties for the relevant financial years.

A) Wholly Owned Subsidiaries

Dan River Properties LLC

Grace Home Fashions LLC (Dissloved w.e.f March 02, 2023)

GHCL Textiles Limited

B) Key Managerial Personnel

Mr. R. S. Jalan, Managing Director

Mr. Raman Chopra, CFO & Executive Director - Finance

Mr. Neelabh Dalmia - Executive Director- Growth & Diversified Projects

Mr. Bhuwneshwar Mishra, Vice President - Sustainability & Company Secretary

C) Non-whole-time directors

Mr. Sanjay Dalmia - Non-Executive Chairman (Promoter)

Mr. Anurag Dalmia - Non-Executive Vice Chairman (Promoter)

Mrs. Vijaylaxmi Joshi - Non-Executive Independent Director

Dr. Lavanya Rastogi - Non-Executive Independent Director

Dr. Manoj Vaish - Non-Executive Independent Director

Mr. Arun Kumar Jain - Non-Executive Independent Director

Justice (Retd.) Ravindra Singh - Non-Executive Independent Director

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(INR in crores)

D) Relative of Key Managerial Personnel

Mrs. Sarita Jalan, w/o Mr. R. S. Jalan

Mrs. Bharti Chopra, w/o Mr. Raman Chopra

Mrs. Vandana Mishra, w/o Mr. Bhuwneshwar Mishra

E) Enterprises over which Key Managerial Personnel are able to exercise significant influence

GHCL Foundation Trust

GHCL Employees Group Gratuity Scheme

Gujarat Heavy Chemical Limited Superannuation Scheme

b) Transactions with subsidiaries

Particulars	As at March 31, 2023	As at March 31, 2022
Sales of goods		
Grace Home Fashions LLC	15.15	54.22
Net payment/(receipt) of loans & advances		
Dan River Properties LLC	(0.52)	(0.84)
GHCL Textiles Limited (Rs. 11,800/- (Previous year Rs. 11800/-)	(0.00)	0.00

Particulars	As at March 31, 2023	As at March 31, 2022
Loans recoverable at the year end		
Dan River Properties LLC	0.14	0.66
GHCL Textiles Limited (Nil (Previous year INR 11800/-)	-	0.00
Balance of Investment in equities at the year end		
Grace Home Fashions LLC (After considering diminition in Value of Investment in Subsidiary)	-	-
Dan River Properties LLC	0.00	0.00
GHCL Textiles Limited	0.01	0.01
Balance receivable at the year end		
Grace Home Fashions LLC	-	52.91

c) Transactions with relative of Key Management Personnel

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Leasing & hire purchase transactions		
Mrs. Sarita Jalan, w/o Mr. R. S. Jalan	0.21	0.18
Mrs. Bharti Chopra, w/o Mr. Raman Chopra	0.15	0.12
Mrs. Vandana Mishra, w/o Mr. Bhuwneshwar Mishra	0.02	0.02

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d) **Transactions with enterprises over which significant influence exercised by directors**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net contribution		
GHCL Foundation Trust	12.31	9.85
Gujarat Heavy Chemical Limited Superannuation Scheme	1.24	1.34

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

e) **Compensation of Key Management Personnel of the Company**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Mr. R. S. Jalan#	14.88	15.19
Mr. Raman Chopra#	8.87	8.76
Mr. Neelabh Dalmia	2.57	2.52
Mr. Bhuwneshwar Mishra#	0.84	0.62
Total compensation to Key Management Personnel	**27.16**	**27.09**

includes leasing and hire purchase transaction entered with their respective relatives as mentioned in (c) above.

f)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Short-term employee benefits	23.17	24.90
Post-employment gratuity and medical benefits	0.51	0.48
Share-based payment transactions*	3.48	1.71
Total compensation paid to Key Management Personnel	**27.16**	**27.09**

* Taxable component of ESOS

g) **Loans recoverable from Key Management Personnel of the Company**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net payment/(receipt) of loans & advances		
Mr. Bhuwneshwar Mishra	0.02	(0.03)
Loans recoverable at the year end		
Mr. Bhuwneshwar Mishra	**0.11**	**0.09**

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(INR in crores)

h) Transactions with Non-whole-time directors

	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Sitting Fees	Commission	Sitting Fees	Commission
Mr. Sanjay Dalmia	0.02	1.13	0.04	0.90
Mr. Anurag Dalmia	0.03	0.94	0.04	0.75
Dr. Manoj Vaish	0.05	0.49	0.06	0.39
Justice Ravindra Singh	0.04	0.47	0.06	0.38
Mrs. Vijaylaxmi Joshi	0.06	0.47	0.07	0.38
Mr. Arun Kumar Jain	0.04	0.47	0.06	0.38
Mr. Lavanya Rastogi	0.02	0.47	0.03	0.38
	0.26	**4.44**	**0.36**	**3.54**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Trade payable		
Commission payable to Non-whole time directors (Net of TDS)	4.00	3.19

j) Disclosure required under Section 186(4) of the Companies Act 2013 (refer Note 11A)

Particulars	As at March 31, 2023	As at March 31, 2022
GHCL Employee Stock Option Trust	-	5.53
GHCL Textiles Limited (Rs. NIL (Previous year Rs. 11800/-))	-	0.00
Dan River Properties LLC (Subsidiary Company)	0.14	0.66

37 Segment information

The Company operated two segments i.e. Inorganic Chemicals and Textiles. Pursuant to the Scheme of Demerger (Refer Note 45), Company's Textiles segment which included Spinning Division has been disclosed as Discontinuing Operations. Accordingly, the Company's continuing operations pertain to one segment i.e. Inorganic Chemicals

38 Hedging activities and derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk.

The Company's risk management strategy and how it is applied to manage risk are explained in Note 40.

Notes to the Standalone Financial Statements

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i) Derivatives not designated as hedging instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally upto 4 months. These contracts are not designated in hedge relationships and are measured at fair value through profit or loss..

Particulars	Currency	Unhedged Exposure* As at March 31, 2023		Unhedged Exposure As at March 31, 2022	
		Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
Trade Receivables					
	USD	0.38	31.46	1.89	143.42
	EUR	0.01	1.09	-	-
Current Liabilities					
	USD	0.04	3.37	0.07	5.45
	EUR	0.04	3.18	0.00	0.04
	CHF	0.03	3.13	0.07	5.79
	JPY	0.11	0.07	-	-
	GBP	-	-	0.00	0.19
Non-Current Liabilities					
		0.07	5.61	0.12	9.46

* Includes unhedged exposure from Discountinued Operations.

39 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value March 31, 2023	Fair value March 31, 2023	Carrying value March 31, 2022	Fair value March 31, 2022
Financial assets measured at fair value				
Investments (Refer Note 5)	379.77	379.77	15.13	15.13
Financial assets measured at amortised cost				
Investments (Refer Note 5)	0.05	0.05	1.43	1.43
Loan to ESOS trust (refer note 11A)	-	-	5.53	5.53
Security deposits (refer note 6)	1.93	1.93	9.44	9.44
Loan to subsidiary (refer note 11A)	0.14	0.14	0.66	0.66
Loan to employees (refer note 6A & 11A)	1.68	1.68	2.01	2.01
Others (refer note 11B)	11.89	11.89	0.60	0.60
Financial liabilities at fair value				
Derivative instruments (refer note 19A)	3.58	3.58	1.46	1.46
Financial liabilities not measured at amortised cost				
Term loans (refer note 16)	346.04	346.04	559.40	559.40
Short term borrowings (refer note 16)	1.48	1.48	208.05	208.05

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(INR in crores)

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, export incentives receivable, GST refund receivable, subvention receivable, others (Insurance Claim receivable) trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The other current financial liabilities represents Dealer deposits, Security deposits, Capital creditors, Unpaid dividend and Interest accrued on Bank deposits, the carrying value of which approximates the fair values as on the reporting date.

The following methods and assumptions were used to estimate the fair values:

i The fair value of the financial assets and liabilities is included at the amount at which the instrument is exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

ii The fair values of the FVTOCI financial assets are derived from quoted market prices in active markets.

39A The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023:

Particulars	Fair value measurement using				
	Date of valuation	Carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
FVTOCI financial investments					
Investments in quoted equity shares (refer note 5)	March 31, 2023	14.93	14.93		
	March 31, 2022	15.13	15.13		
Financial assets measured at fair value through profit and loss					
Investments in Mutual funds (refer note 5)	March 31, 2023	364.84	364.84		
	March 31, 2022	-	-		
Financial assets measured at amortised cost					
Unquoted equity shares (refer note 5)	March 31, 2023	0.01	-		0.01
	March 31, 2022	1.38	-		1.38
Unquoted debt securities (Refer Note 5)	March 31, 2023	0.04	-		0.04
	March 31, 2022	0.04	-		0.04
Security deposits (refer note 6)	March 31, 2023	1.93	-	1.93	
	March 31, 2022	9.44	-	9.44	
Loan to ESOS trust (refer note 11A)	March 31, 2023	-	-	-	
	March 31, 2022	5.53	-	5.53	
Loan to subsidiary (refer note 11A)	March 31, 2023	0.14	-	0.14	
	March 31, 2022	0.66	-	0.66	
Loan to employees (refer note 6A & 11A)	March 31, 2023	1.68	-	1.68	

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(INR in crores)

Particulars	Fair value measurement using				
	Date of valuation	Carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	March 31, 2022	2.01	-	2.01	
Others (refer note 11C)	March 31, 2023	11.89	-	11.89	
	March 31, 2022	0.60	-	0.60	
Financial liability measured at fair value through profit and loss					
Derivative instruments (refer note 19A)	March 31, 2023	3.58	-	3.58	
	March 31, 2022	1.46	-	1.46	
Financial liabilities not measured at fair value					
Floating rate borrowings (India)	March 31, 2023	347.52	-	347.52	
	March 31, 2022	767.45	-	767.45	

There have been no transfers between Level 1 and Level 2 during the year.

Particulars	Fair value hierarchy	Valuation technique	Inputs used
FVTOCI financial investments			
Quoted equity shares	Level 1	Market valuation techniques	Prevailing rates in the active markets
Quoted mutual fund	Level 1	Market valuation techniques	Prevailing rates in the active markets
Unquoted equity shares	Level 3	Discounted cash flow	Long-term growth rate for cash flows for subsequent years, weighted average cost of capital, long-term operating margin, discount for lack of marketability
Unquoted debt securities	Level 3	Discounted cash flow	Long-term growth rate for cash flows for subsequent years, weighted average cost of capital, long-term operating margin, discount for lack of marketability
Financial assets measured at fair value through profit and loss			
Derivative instruments	Level 2	Market valuation techniques	Forward foreign currency exchange rates
Financial assets measured at amortised cost			
Security deposits			Prevailing interest rates in the market, Future payouts
Loan to subsidiary	Level 2	Amortised Cost	
Loan to ESOS trust			
Loan to employees			

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Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial liabilities measured at fair value			
Derivative instruments	Level 2	Market valuation techniques	Forward foreign currency exchange rates
Financial liabilities not measured at fair value			
Floating rate borrowings (India)	Level 2	Amortised Cost	Prevailing interest rates in the market, future payouts

40 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, lease liabilities trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTOCI & FVTPL investments and enters into derivative transactions. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Banking and Operations committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by expert list teams that have the appropriate skills, experience and supervision. It is the Company's policy, that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include investments, loans and borrowings, deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2023 and March 31, 2022. The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt are all constant.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Company is not exposed the significant interest rate as at a respective reporting date.

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Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is effected through the impact on floating rate borrowings, as follows

Particulars	Increase/decrease in basis points	Effect on PBT
March 31, 2023	+/(-).50%	'(-)/+ 1.74*
March 31, 2022	+/(-).50%	'(-)/+ 3.84

*Excludes INR 2.29 Crores pertaining to Discontinued Operations

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities. The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12 month for hedges of forecasted sales and purchases in foreign currency. The hedging is done through foreign currency forward contracts.

Foreign currency sensitivity

Particulars	Increase/decrease in basis points	Effect on PBT
Particulars	Change in USD rate	Effect on PBT
March 31, 2023	+/(-)1%	'(-)/+ 0.40
Particulars	Change in USD rate	Effect on PBT in Rs
March 31, 2022	+/(-)1%	'(-)/+ 1.58
Particulars	Change in GBP rate	Effect on PBT
March 31, 2023	+/(-)1%	'+/(-) 0.07
Particulars	Change in GBP rate	Effect on PBT
March 31, 2022	+/(-)1%	'+/(-) 0.00
Particulars	Change in CHF rate	Effect on PBT
March 31, 2023	+/(-)1%	'(-)/+ 0.03
Particulars	Change in CHF rate	Effect on PBT
March 31, 2022	+/(-)1%	'(-)/+ 0.06
Particulars	Change in EUR rate	Effect on PBT
March 31, 2023	+/(-)1%	'(-)/+ 0.04
Particulars	Change in EUR rate	Effect on PBT
March 31, 2022	+/(-)1%	'(-)/+ 0.00

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c) Equity price risk

The Company's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to unlisted equity securities at fair value was Nil as on March 31, 2023 excluding discontinued operations INR 1.23 crores (INR 1.38 crores as on March 31, 2022).

At the reporting date, the exposure to listed equity securities at fair value was INR 14.93 crore as on March 31, 2023 (INR 15.13 crores as on March 31, 2022). A decrease of 10% on the NSE/BSE market index could have an impact of approximately INR 1.49 crore on the OCI or equity attributable to the Company. An increase of 10% in the value of the listed securities would also impact OCI and equity. These changes would not have an effect on profit or loss

Further, at reporting date, the Company has exposure to investments in mutual funds of INR 364.84 crores (Nil as on March 31, 2022). A decrease of 10% in the value of Mutual fund company.

d) Commodity risk

The Company is impacted by the price volatility of coal and cotton (cotton included in Discontinued Operations). Its operating activities require continuous manufacture of Soda Ash, and therefore require a regular supply of coal. Cotton is the key raw material for the Spinning Division. Due to the significant volatility of the price of coal and cotton in international market, the Company has entered into purchase contract for coal with its designated vendor(s). The price in the purchase contract is linked to the certain indices. The Company's commercial department has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

e) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with Banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on customer profiling, credit worthiness and market intelligence. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are categorized and assessed for impairment collectively. The calculation is based on exchange losses historical data. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Banking & Operations Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

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The Company's maximum exposure to credit risk for the components of the Balance sheet at March 31, 2023 and March 31, 2022 is the carrying amounts as given in Note 9 except for derivative financial instruments. The Company's maximum exposure relating to financial guarantees and financial derivative instruments is noted in note on commitments and contingencies and the liquidity table below.

Liquidity risk

Liquidity risk is the risk that the Company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the Company to manage liquidity is to ensure, as far as possible, that it should have sufficient liquidity to meet its respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation. The Company also believes a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments excluding Discontinued operations :

As at March 31, 2023	On Demand	0 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	1.48	103.42	236.48	6.14	347.52
Trade payables	-	242.94	-	-	242.94
Lease Liablities	-	2.67	9.13	16.27	28.07
Other financial liabilities	10.34	14.55	0.93	-	25.82
	11.82	**363.58**	**246.54**	**22.41**	**644.35**

As at March 31, 2022	On Demand	0 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	208.05	135.83	388.29	35.28	767.45
Trade payables	-	341.80	-	-	341.80
Lease Liablities	-	1.11	4.71	8.28	14.10
Other financial liabilities	9.54	328.92	0.95	-	339.41
	217.59	**807.66**	**393.95**	**43.56**	**1,462.76**

41 Capital management (continuing operations)

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by

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total capital plus net debt. The Company's policy is to keep the gearing ratio of less than 75%. The Company includes within net debt, interest bearing loans and borrowings, lease liabilities, trade and other payables, less cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31,2022
Borrowings	347.52	767.45
Trade payables	242.94	341.80
Lease liabilities	28.07	14.10
Other financial liabilities	63.21	339.41
Less: Cash and bank balances	(123.38)	(230.10)
Net debt	**558.36**	**1232.66**
Equity	3,933.88	2,951.99
Capital and net debt	**4,492.24**	**4184.65**
Gearing ratio	12%	29%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

42 Raw material and power & fuel costs include expenditure on captive production of salt, limestone, briquette and lignite as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Manufacturing expenses*	208.87	201.44
Stores and spares consumed	1.74	1.84
Power and fuel	6.37	3.60
Excise duty, cess and royalty	4.17	4.98
Repairs and maintenance		
Building	0.32	0.84
Plant and machinery	1.08	1.09
Earth work	2.12	13.67
Others	0.47	0.63
Salaries and wages (refer Note no 32)	9.31	8.61
Travelling & conveyance	0.93	0.80
Lease rent	1.02	0.88
Rates and taxes	0.18	0.20
Insurance	4.29	2.25
Misc. expenses (including deferred revenue & intangible expenses)	4.51	3.61
Less: Other misc. income	(10.54)	(9.88)
Total	**234.84**	**234.56**

* It includes consumption of breeze, starch binder, other production and mining cost.

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43 In prior years as per SEBI (ESOS & ESPS) guidelines 1999 the Employees Stock Option Schemes of GHCL was administered by the registered Trust named GHCL Employees Stock Option Trust. However, the SEBI circular dated November 29, 2013, required the closure of all Employee Stock Option Trusts by June 2014. Accordingly, GHCL closed its ESOS Scheme, disposed of GHCL shares but retained its ESOS Trust for a limited purpose of litigation. ESOS Trust owns 20,46,195 GHCL shares, out of which 15,79,922 shares were illegally sold by broker involved, against which ESOS Trust has initiated legal proceedings and 4,66,273 shares were blocked for transactions by Stock exchange under legal proceedings. During the earlier year, 4,66,273 shares were transferred/released to ESOS Trust as per NSE order dated July 24, 2019 and are currently held by the Trust

During the tenure of ESOS Trust, the Company had advanced INR 29.54 crores interest free loan to the Trust to buy the shares and at the end of March, 2014, the Company had written off an amount of INR 23.34 crores due from ESOS Trust on account of permanent diminution in the value of 20,46,195 shares as on March 31, 2014 held by the Trust.

Once the legal matter will settle ESOS Trust will get the possession of 15,79,922 shares also, the sale proceeds from the disposal of these 20,46,195 shares by ESOS Trust will first be used to repay the loan amounting to INR 29.54 crores due to the Company which includes restatement of earlier write-off of INR 23.34 crores taken in March, 2014 and the balance surplus (if any) will be used for the benefit of the employees of the Company as per the recommendation of GHCL's Compensation Committee.

44 Remittances during the year in Foreign currency on account of:

Dividend for the financial year ended	For the year ended March 31, 2023	For the year ended March 31, 2022
Dividends to non-resident shareholders	8,80,28,385	2,54,74,518
Number of non-resident shareholders	537	549
Number of shares	58,68,559	58,77,108

45 Discontinued Operations :

(A) Home Textile Business

Pursuant to the Business Transfer Agreement dated December 06, 2021 and Amendment to Business Transfer Agreement dated March 30, 2022 with Indo Count Industries Limited (ICIL), the Company on April 02, 2022 transferred its Home Textile Business (comprising of weaving, processing, cutting and sewing of Home Textiles products, hereinafter referred as "HT Business") as a going concern on a slump sale basis during the current year after satisfaction of conditions precedent as stipulated in these agreements at a consideration of INR 562.34 crores. In addition, Grace Home Fashions LLP ('GHF'), a wholly owned erstwhile subsidiary of the Company also transferred its identified assets (i.e., inventory and intellectual property) to Indo Count Global Inc., USA (US subsidiary of ICIL) on April 02, 2022 at a consideration of INR 31.77 crores pursuant to fulfillment of conditions precedent as per the Asset Transfer Agreement (ATA) dated December 06, 2021 and Amendment agreement ('AATA') dated March 30, 2022 for transfer of its identified assets. Consequent to the above, the resultant profit of INR 64.15 crores (net of current and deferred tax impact of INR 4.11 crores on such sale of the HT Business recognised under Exceptional Items. The Company's current tax obligation arising from such sale had been booked in accordance with the provision of the Income Tax Act, 1961.

(B) Spinning Division

The Board of Directors of the Company at their meeting held on December 06, 2021 approved a Scheme of Arrangement under Section 230-232 of the Companies Act 2013 consisting of demerger of Spinning Division of GHCL Limited (""Demerged Company/ Company"") into GHCL Textiles Limited ('Resulting Company')"" (the ""Scheme""). Upon the Scheme becoming effective, the Spinning division (along with all assets and liabilities thereof as at the appointed date stated in the Scheme) shall be transferred to the Resulting Company on a going concern basis. As a consideration for the Demerger, the resulting Company will issue its equity shares to the shareholders of the Company as on the record date in a 1:1 swap ratio (i.e. One share of INR 2 each will be issued by the Resulting Company for every one share of INR 10 each held in the Company). The Scheme

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

has been approved by the Hon'ble National Company Law Tribunal, Ahmedabad (NCLT) vide its order dated February 08, 2023. As per the Scheme, the accounting in respect of the Scheme will be carried out on the Appointed date mentioned in the Scheme i.e. the date on which the Company files the Certified True Copy of the NCLT order along with the sanctioned Scheme with the ROC i.e. April 01, 2023. However, Appendix A of Ind AS 10 'Distribution of Non-cash Assets to Owners' prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time requires the Company to account for such Scheme in the current year, since the substantial conditions relating to transfer of the demerged undertaking were met during the current year. Since, the Certified True Copy of the NCLT order along with the sanctioned Scheme with the ROC was filed after the year end no accounting effect in respect of the Scheme has been given in these standalone financial Statements, as the approved Scheme prevail over the applicable Indian Accounting Standards."

(C) The net results of Home Textiles Business and Spinning Division has been disclosed separately as discontinued operation as required by Indian Accounting Standard (Ind AS) 105 Asset Held for Sale and Discontinued Operations and Schedule III to the Companies Act, 2013. Consequently, the Company's Statement of Profit and Loss for the year ended March 31, 2023 pertains to its continuing operations only and for that purpose the statement of profit and loss for the year ended March 31, 2022 have been restated accordingly.

The following information relates to discontinued operations of Home Textiles Division and Spinning Division

(i) Results of HT Business and Spinning Division are presented below ::

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	HT Business	Spinning Division	Total	HT Business	Spinning Division	Total
Revenue from continuing operations						
Revenue from operations	59.19	1,031.41	1,090.60	797.58	920.49	1,718.07
Other income	0.40	5.40	5.80	30.77	3.20	33.97
Total Income	**59.59**	**1,036.81**	**1,096.40**	**828.35**	**923.69**	**1,752.04**
Expenses from continuing operations						
Cost of raw materials consumed	(0.38)	789.60	789.22	500.04	538.58	1,038.62
Purchase of stock in trade	7.31	-	7.31	-	-	-
(Increase)/ decrease in inventories of finished goods, stock-in-trade and work-in-progress	40.78	(30.58)	10.20	(16.71)	(25.74)	(42.45)
Power, fuel and water	0.20	60.71	60.91	66.10	54.93	121.03
Employee benefit expenses	0.65	54.28	54.93	46.28	44.87	91.15
Depreciation and amortization expense	-	40.03	40.03	13.76	29.85	43.61
Finance costs	0.54	7.31	7.85	6.77	12.23	19.00
Other expenses	1.57	92.46	94.03	130.65	56.18	186.83
Total expenses	**50.67**	**1,013.81**	**1,064.48**	**746.89**	**710.90**	**1,457.79**
Profit before tax	**8.92**	**23.00**	**31.92**	**81.46**	**212.79**	**294.25**
Tax expense of continuing operations:						
Current tax	2.24	1.93	4.17	21.11	55.18	76.29
Deferred tax (credit)/charge	-	3.42	3.42	0.87	1.93	2.80
Total tax expenses	**2.24**	**5.35**	**7.60**	**21.98**	**57.11**	**79.09**
Profit for the year	**6.68**	**17.65**	**24.32**	**59.48**	**155.68**	**215.16**
Earnings per share						
Basic	0.70	1.86	2.56	6.24	16.34	22.58
Diluted	0.70	1.86	2.56	6.23	16.29	22.52

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

(ii) Major class of assets and liabilities of HT Business and Spinning Division are presented below :

Particulars	As at March 31, 2023 Spinning Business	As at March 31, 2022 HT Business
Assets		
Non-current assets		
Property, plant and equipment	932.40	271.97
Capital work-in-progress	89.36	0.36
Other intangible assets	0.16	0.41
Investments	1.23	-
Other non-current financial assets	14.20	0.31
Other-non current assets	34.57	0.08
Total Non current assets (A)	**1,071.92**	**273.13**
Current assets		
Inventories	350.79	181.83
Financial assets		
Trade receivables	88.91	102.11
Cash and cash equivalents	37.23	0.17
Loans current	0.33	0.20
Other current financial asset at amortised cost	5.84	2.30
Other current assets	62.60	12.91
Total current assets (B)	**545.70**	**299.52**
Assets held for sales (C)	0.23	3.61
Total assets (D) = (A+B+C)	**1,617.85**	**576.26**
Liabilities		
Non-current liabilities		
Borrowings Long term	53.42	-
Deferred tax liabilities (net)	118.52	-
Total Non current liabilities (E)	**171.94**	**-**
Current liabilities		
Borrowings Short term	25.17	17.96
Trade payables	44.56	61.26
Other financial liabilities current	2.60	0.70
Provisions Short term	9.70	0.54
Contract liabilities	3.80	0.97
Other liabilities	0.81	1.06
Total current liabilities (F)	**86.64**	**82.49**
Total liabilities (G) = (E+F)	**258.58**	**82.49**
Net Assets (D-G)	**1,359.26**	**493.77**

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

(iii) Net Cash flow attributable to Discountinued Operations are as follows :

Particulars	As at March 31, 2023
Net cash generated from operating activities (A)	379.06
Net cash flow (used in) investing activities (B)	(187.09)
Net cash (used in) financing activities (C)	(156.53)
Net increase in cash and cash equivalents (A+B+C)	**35.44**
Cash and cash equivalents at the beginning of the year	1.79
Cash and cash equivalents at the end of the year	37.23

46 Additional regulatory information:

1 The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

2 The Company do not have any transactions with Companies struck off.

3 The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

4 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

5 The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

6 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(B) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

7 The Company have not any such transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

8 Ratio Analysis and its elements:

Particulars	Numerator	Denominator	As at March 31, 2023*	As at March 31, 2022	Variation	Reason for variance
(a) Current Ratio,	Current Assets	Current Liabilities	4.05	1.45	179%	On account of higher investments in mutual funds during the year and reduction in liabilities mainly on account of borrowings and advance received for sales of Home Textiles Business.
(b) Debt-Equity Ratio,	Total Debt	Shareholders Equity	0.11	0.25	-57%	Mainly on account of repayment of borrowings
(c) Debt Service Coverage Ratio,	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	3.33	2.38	40%	Mainly on account of repayment of borrowings and higher profit during the current year.
(d) Return on Equity Ratio,	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.32	0.21	54%	On account of higher Net profit earned during the year, there is significant improvement in the ratio.
(e) Inventory turnover ratio,	Cost of goods sold	Average Inventory	4.08	1.97	107%	Majorly on account of higher sales in the current year as compare to previous year due to which there is favourable movement in the ratio
(f) Trade Receivables turnover ratio,	Net credit sales = Gross credit sales - sales return	Avg. Accounts Receivable	19.40	16.95	14%	
(g) Trade payables turnover ratio,	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	8.12	6.15	32%	Majorly on account of higher purchase in the current year as compare to previous year due to higher sales thereby leading to a significant change in the ratio.
(h) Net capital turnover ratio,	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	3.59	7.54	-52%	Mainly on account of advance for sales of Home Textiles Business included in other current liabilities as at March 31, 2022
(i) Net profit ratio,	Net Profit	Net sales = Total sales - sales return	0.20	0.15	32%	On account of higher profit earned during the year, there is significant improvement in the ratio.
(j) Return on Capital employed,	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.42	0.23	82%	On account of higher earning before interest and taxes earned during the year there is significant improvement in the ratio.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

Particulars	Numerator	Denominator	As at March 31, 2023*	As at March 31, 2022	Variation	Reason for variance
(k) Return on investment-Mutual fund	Finance Income	Investment	8.35%	3.53%	136%	Mainly on account of investments in mutual funds in current year.
L) Operating profit Margin (%)	Earning before interest and taxes	Revenue from operations	27%	23%	17%	On account of higher earning before interest and taxes earned during the year there is significant improvement in the ratio.
m) Return on Net Worth (%)	Total comprehensive income for the year, net of tax	Net worth	28%	21%	35%	On account of higher total comprehensive income earned during the year there is significant improvement in the ratio.

* Includes discountinued operations

47 Assets held for sale and discontinued operations:

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Assets classified as held for Sale and discontinued operations		
Discontinued operations - Home Textile Business (footnote"i)	-	572.65
Discontinued operations - Spinning Division (footnote"ii)	1,617.61	-
Assets held for Sale - Spinning Division (footnote"iii)	0.23	3.61
(b) Liabilities directly associated with discontinued operations		
Discontinued operations (footnote"i)	-	82.49
Discontinued operations - Spinning division (footnote"ii)	258.58	-

(i) For details relating Discontinued operations (Home Textiles business at Vapi, Gujarat) (Refer Note No 45A &C)

(ii) For details of discontinued operation relates to spinning division - Refer Note 45B & C.

(iii) The management has balance excessive and surplus land of 4.84 acres (Previous Year 2.89 acres) outside the premises of factory at Madurai, that is being disposed off and balance is held as non current asset held for sale. During the year the Company has sold/disposed 4.37 acres (Previous Year 0.47 acres) of land. Also the Company has transferred Nil (Previous Year 2.42 acres) of land from Property, Plant and Equipment being to be sold/disposed off after the approval of Board of directors.

	As at March 31, 2023		As at March 31, 2022	
	Acres	Amount	Acres	Amount
Opening balance	4.84	3.61	2.89	2.34
Add: Transferred from Property, plant and Equipment			2.42	1.65
Less: Sold/Disposed	4.37	3.38	0.47	0.38
Less: Transferred to GHCL Textiles pursuant to scheme of arangement	0.47	0.23	-	-
Closing balance	-	-	4.84	3.61

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

48 A The Company had adopted Ind AS with transition date as April 01, 2015 and its first Ind AS standalone financial statements were prepared for the year ended March 31, 2017. The Company had revalued land, buildings and certain property, plant and equipment during the financial year ended March 31, 2009 and such revaluation surplus was credited to "Business Development Reserve" under Reserves and surplus in accordance with the Scheme of Arrangement approved by Hon'ble Gujarat High Court. Under the previous GAAP (Indian GAAP), deferred taxes were not required to be recognised on such revaluation surplus.

On the date of transition to Ind AS, the Company carried the carrying cost of property, plant and equipment as deemed cost as per Ind AS 101. Further, the Company was required to create deferred tax liability on difference between the carrying amount of such revalued assets in the balance sheet and its tax base on the date of transition to Ind AS). However, such deferred tax liabilities were not recognised in its first Ind AS financial statements for the year ended March 31, 2017 on the transition date.

Such non recognition of deferred tax liabilities has been corrected in the financial statements of the current year by retrospectively restating the comparative information as per Ind AS 8. A third balance sheet as at the beginning of the earliest period (i.e. April 1, 2021) has also been presented.

48 B The Company during the current year has re-evaluated the terms of arrangement of its contracts with customers with reference to Ind AS 115 and relevant guidance and determined that the amount of freight recovered from customers on sales of goods should have been presented as Revenue from contracts with customers under the head "Revenue from Operations" since the Company is acting as a principal as against presenting such amount of freight recovered as a deduction from the freight expenses under the head "Other Expenses". Based on such reassessment, in accordance with the Indian Accounting Standards, the Company has corrected this by reclassifying the amounts of freight recovered from "Other Expenses" to "Revenue from Operations" for the previous year ended March 31, 2022. Such reclassification does not have any impact on the profit before or after tax or other equity of the Company.

48 C (i) The impacts of the above restatements on the balance sheets for each of the years presented are as follows:

Particulars	As at April 01, 2021	As at March 31, 2022
Increase in deferred tax liabilities	141.60	138.26
Decrease in other equity:	141.60	138.26
'- Business Development Reserve	73.89	73.89
'- Retained Earnings	67.71	64.37

(ii) The impacts of such restatements in the statement of profit and loss for the year presented is as follows :

Particulars	Year ended 31.03.2022
Increase in deferred tax credit in the statement of profit and loss	3.34
Increase in Revenue from Operations	194.27
Increase in Freight and Forwarding under "Other Expenses"	194.27

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

(iii) The impact of such restatements on basic & diluted EPS for year presented are as follows:

Particulars	Year ended 31.03.2022
Restated Basic EPS - INR	66.90
Published Basic EPS - INR	66.50
Restated Diluted EPS - INR	66.70
Published Diluted EPS- INR	66.35

49 The Company has entered into a Business Transfer Agreement ("BTA") with Ajmera Cements Private Limited ("Seller") on February 16, 2023 for the acquisition of a specified Business Undertaking located in the Junagarh district of Gujarat, as a going concern on a slump sale basis for an estimated consideration of INR. 27 crores, subject to certain adjustments in terms of the BTA ("Proposed Acquisition"). On March 31, 2023, both the parties have mutually agreed to extend the long stop date of the BTA to June 30, 2023 subject to the satisfaction of conditions precedent as stipulated in the BTA and upon securing requisite approvals from competent authorities.

50 Coronavirus (COVID-19)/War in Ukraine Impact on Financial Reporting – Accounting Year Ending March 31, 2023

The Company has considered the possible effects that may result from COVID-19/War in Ukraine in the preparation of these Standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. Based on the current year performance and estimates arrived at using internal and external sources of information, the Company does not expect any material impact on such carrying values. Based on the projected cash flows for the next one year the management is confident of liquidating its liabilities as and when they fall due and the Going Concern Assumption used for preparation of these financial statements is appropriate.

51 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company is in the process of assessing the impact of the code and will record the same, if any, in the year the Code becomes effective.

52 Exceptional Item

Exceptional item for the current year represents: (a) Profit of Rs. 64.15 crores (net of current and deferred tax impact of Rs. 4.11 crores on sale of the Home Textiles Business and (b) loss of Rs. 8.77 crores (net of tax Rs. 2.95 crores) on reassessement of balances recoverable from GHF, a wholly owned subsidiary of the Company (Refer Note 45 for details). Exceptional item for the previous year pertained to provision for diminution in the value of investment made in a wholly owned subsidiary in view of its negative net-worth & projected business plan as at March 31, 2022.

53 As per the Transfer Pricing Rules of the Income Tax Act, 1961 every company is required to get a transfer pricing study conducted to determine whether the transactions with associated enterprises were undertaken at an arm's length basis for each financial year end. Transfer pricing study for the transaction pertaining to the year ended March 31, 2023 is currently in progress and hence adjustments if any which may arise there from have not been taken into account in these financial statements for the year ended March 31, 2023 and will be effective in the financial statements for the year ended March 31, 2024. However, in the opinion of the Company's management, adjustments, if any, are not expected to be material.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

54 Previous year's figures have been regrouped / rearranged wherever necessary, to conform to the current year's presentation. As required by Indian Accounting Standard (Ind AS) 105 "Asset Held for Sale and Discontinued Operations", the Statement of Profit and Loss for the year ended March 31, 2022 has been restated to make it comparable, however Balance Sheet as at March 31, 2022 has not been reclassified or re-presented (except as stated in Note 48).

55 Standards notified but not yet effective:

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Company's financial statements.

The accompanying notes are Integral part of the standalone financial statements.

As per report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership No. 095169
Place : Gurugram
Date: April 29, 2023

For and on behalf of the Board of Directors of GHCL Limited

sd/-
Dr. Manoj Vaish
Director
DIN: 00157082

sd/-
R. S. Jalan
Managing Director
DIN: 00121260

sd/-
Raman Chopra
CFO & Executive Director-Finance
DIN: 00954190
Place : New Delhi
Date: April 29, 2023

sd/-
Bhuwneshwar Mishra
Vice President- Sustainability &
Company Secretary
Membership No.: FCS 5330

Form AOC-1 Part "A" Subsidiaries

Statement Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

(INR in crores)

S.No.	Particulars	Particulars	Particulars	Particulars
i.	Name of Subsidiary	**Grace Home Fashion LLC**	**Dan River Properties LLC**	**GHCL Textiles Limited**
ii.	The date since when subsidiary was acquired			
iii.	Reporting period for the subsidiary concerned	March 02,2023	March 31,2023	March 31,2023
iv.	Reporting Currency and Exchange rate as on the last date of the relevant financial year/Period.	USD 1 USD = INR 82.70	USD 1 USD = INR 82.175	INR
v.	Share Capital	34.62	0.00	0.01
vi.	Reserve & Surplus	-34.62	7.50	-0.01
vii.	**Total Assets**	**-**	**8.67**	**0.00**
viii.	**Total Liabilities**	**-**	**1.17**	**0.01**
ix.	Investments	-	-	-
x.	Turnover	25.87	0.48	-
xi.	Profit before Taxation	13.03	0.10	-0.01
xii	Provision for taxation	-0.01	-	-
xiii.	Profit after Taxation	13.04	0.10	-0.01
xiv.	Proposed Dividend	-	-	-
xv.	% of Shareholding	100.00%	100.00%	100.00%

For and on behalf of the Board of Directors

R.S. Jalan
Managing Director
DIN: 00121260

Manoj Vaish
Director
DIN:00157082

Bhuwneshwar Mishra
Vice President- Sustainability & Company Secretary
Membership No.: FCS 5330

Raman Chopra
CFO & Executive Director (Finance)
DIN : 00954190

Place: New Delhi
Date: April 29, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of GHCL Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of GHCL Limited including GHCL Employees Stock Option Trust (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of GHCL Employees Stock Option Trust, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2023, their consolidated profit including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

.Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matters

a. **Restatement of financial statements**

We draw attention to Note 49 to the consolidated financial statements which describes the impact of the restatements related to the non-recognition of deferred tax liabilities on revaluation of land, buildings and certain property, plant and equipment and the reclassification of amount of freight recovered from customers from "Other Expenses" to "Revenue from Operations".

b. **Demerger Accounting**

We draw attention to Note 45B to the consolidated financial statements, which indicate that the demerger would be accounted on the Appointed date mentioned in the Scheme of Arrangement i.e. date of filing of certified true copy of the NCLT order along with the sanctioned Scheme with the Registrar of Company, instead of accounting of demerger in the current year since, as per applicable Indian Accounting Standards prescribed under Section 133 of the Act, the substantial conditions relating to transfer of demerged undertaking were met during the current year. Accordingly, no accounting treatment in respect of the demerger have been carried out in these financial statements, as the approved Scheme would prevail over the applicable Indian Accounting Standards.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements

Key audit matter	How our audit addressed the key audit matter
Discontinued Operations and Asset held for sale in relation to Demerger of Spinning Division Refer Note 45B	
During the previous year, the Company had filed a scheme of arrangement before the National Company Law Tribunal ('NCLT'), Ahmedabad bench, which is in the nature of demerger of its Spinning Division to GHCL Textiles Limited, its wholly owned subsidiary. The Company has filed the NCLT approved scheme with the Registrar of Companies on April 01, 2023 ('the appointed date'). As at March 31, 2023, the Company has presented the operations of its Spinning Division as "Discontinued Operations" and its related assets as "Assets held for distribution" and liabilities as "Liabilities directly associated with the assets held for distribution" in accordance with Ind AS 105 (Non-current Assets held for Sale and Discontinued Operations). Accounting for discontinued operations being a significant non-routine event requires judgments and estimates to identify and separate the financial effects from continuing and discontinued operations. Accordingly, this matter has been determined to be a key audit matter in our audit of the consolidated financial statements	- Our audit procedures included but were not limited to, the following: • Obtained an understanding and assessed the effectiveness of process followed by the management in assessing the appropriateness of the Company's accounting policies in relation to discontinued operations; • Evaluated the basis of the management's assessment of treating the transfer of Spinning division and identified assets as discontinued operations in accordance with the applicable accounting standards; • Obtained and read the NCLT approved scheme of arrangement for demerger of the Spinning division for understanding the impact on the consolidated financial statements including identification of the assets and liabilities to be transferred and assessment of the key estimates and judgement involved therein; • Performed procedures on the disclosures relating to discontinued operations made in the consolidated financial statements for assessing the compliance with disclosure requirements

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective company(ies)and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective company(ies) to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective company(ies).

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information of GHCL Employees Stock Option

Trust included in the accompanying consolidated financial statements of the Group whose financial statements and other financial information reflect total assets of Rs. 6.92 crores as at March 31, 2023 and the total revenues of Rs. 0.70 crores and net cash inflow of Nil for the year ended on that date. The financial statements/information of GHCL Employees Stock Option Trust have been audited by the other auditor whose report have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of GHCL Employees Stock Option Trust, is based solely on the report of such auditor.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 2 subsidiaries, whose financial statements and other financial information reflect total assets of Rs. 8.67 crores as at March 31, 2023, and total revenues of Rs. 9.10 crores and Rs. 25.87 crores and net cash outflows/(inflows) of Rs. 13.45 crores for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Act, based on our audit of separate financial statements of the Holding Company and the subsidiary company incorporated in India, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements, we report, to the extent applicable, that:

    (a) We/other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of other auditors;

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the subsidiary company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

    (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

    (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiary, incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act. Based on the consideration of reports of the other auditor, no amounts have been paid under provision of Section 197 read with Schedule V to the Act with respect to the GHCL Employees Stock Option Trust;

    (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on consideration of the report of other auditors on separate financial statements, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements - Refer Note 35 to the consolidated financial statements;

ii. The Group, did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, during the year ended March 31, 2023.

iv. a) The respective managements of the Holding Company and its subsidiary which is company incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief (refer Note 47), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiary, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary, respectively that, to the best of its knowledge and belief, (refer Note 47), no funds have been received by the respective Holding Company or any of such subsidiary, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary, shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary, which is company incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v) The final dividend paid by the Holding Company, during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 15 to the consolidated financial statements, the Board of Directors of the Holding Company, have proposed final dividend for the year which is subject to the approval of the members of the Holding Company at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 01, 2023 for the Holding Company, its subsidiary, company incorporated in India, hence reporting under this clause is not applicable.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership Number: 095169
UDIN: 23095169BGXZYI2284

Place of Signature: Gurugram
Date: April 29, 2023

Annexure 1

referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: GHCL Limited ("the Holding Company")

In terms of the information and explanations sought by us and given by the Group and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi) There are no qualification(s) or adverse remark(s) by the auditors in their report on Companies (Auditors Report) Order, 2020 of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership Number: 095169
UDIN: 23095169BGXZYI2284

Place of Signature: Gurugram
Date: April 29, 2023

Annexure 2

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GHCL LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of GHCL Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") , which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the company included in the Group, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31,2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership Number: 095169
UDIN: 23095169BGXZYI2284

Place of Signature: Gurugram
Date: April 29, 2023

Consolidated Balance Sheet

as at March 31. 2023

(INR in crores)

	Particulars	Note No.	As at March 31, 2023	As at March 31, 2022 (Restated)	As at April 01, 2021 (Restated)
I.	**Assets**				
(1)	**Non-current assets**				
(a)	Property, plant and equipment	3	1,718.92	2,454.53	2,657.09
(b)	Capital work-in-progress	3	108.55	212.98	80.54
(c)	Other Intangible assets	4	1.84	2.61	6.05
(d)	Right-of-use assets	34	10.68	17.09	12.16
(e)	Financial assets				
(i)	Investments	5	14.96	16.55	15.15
(ii)	Loans	6A	8.99	7.88	14.35
(iii)	Other non-current financial assets	6B	16.27	22.07	10.97
(f)	Non current tax assets (net)	12	24.02	-	-
(g)	Other-non current assets	7	71.88	90.35	66.57
	Total non-current assets		**1,976.11**	**2,824.06**	**2,862.88**
(2)	**Current assets**				
(a)	Inventories	8	772.33	944.23	763.50
(b)	Financial assets				
(i)	Investments	5	364.84	-	-
(ii)	Trade receivables	9	218.41	229.44	228.36
(iii)	Cash and cash equivalents	10A	123.40	243.58	34.97
(iv)	Bank balances other than cash and cash equivalents	10B	16.37	11.65	13.66
(v)	Loans	11A	1.35	7.84	2.23
(vi)	Derivative instruments		-	-	4.14
(vii)	Other current financial asset at amortised cost	11B	11.89	5.95	12.83
(c)	Current tax assets (net)		-	-	9.73
(d)	Other current assets	13	30.85	133.58	34.66
	Total current assets		**1,539.44**	**1,576.27**	**1,104.08**
	Assets held for sale and discontinued operations	45	1,617.86	595.04	10.90
	Total assets		**5,133.41**	**4,995.37**	**3,977.86**
II.	**Equity and liabilities**				
	Equity				
(a)	Equity share capital	14	95.59	95.35	95.01
(b)	Other equity	15	3,860.18	2,851.95	2,247.64
	Total equity		**3,955.77**	**2,947.30**	**2,342.65**
	Liabilities				
(1)	**Non-current liabilities**				
(a)	Financial liabilities				
(i)	Borrowings	16A	242.62	424.60	563.82
(ii)	Lease liabilities	34	12.49	17.90	13.33
(b)	Provisions	17A	5.77	7.62	3.02
(c)	Other non-current liabilities		-	-	0.70
(d)	Deferred tax liabilities (net)	12	243.50	407.84	401.76
	Total non- current liabilities		**504.38**	**857.96**	**982.63**
(2)	**Current liabilities**				
(a)	Financial liabilities				
(i)	Borrowings	16B	104.90	342.85	204.28
(ii)	Lease liabilities	34	1.35	2.21	0.68
(iii)	Trade payables				
	(a) Total outstanding dues of micro enterprises and small enterprises	18	36.91	41.67	23.43
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	192.66	301.17	353.19
(iv)	Derivative instruments	19A	3.58	1.46	-
(v)	Other financial liabilities	19B	25.82	339.41	34.86
(b)	Provisions	17B	12.06	11.91	14.36
(c)	Current tax liabilities (net)	12	-	14.54	-
(d)	Other current liabilities				
(i)	Contract liabilities	21.2	2.68	7.08	3.91
(ii)	Other liabilities	20	34.71	45.32	17.87
	Total current liabilities		**414.67**	**1,107.62**	**652.58**
	Liabilities directly associated with the assets held for sale and discontinued operations		**258.59**	82.49	-
	Total equity and liabilities		**5,133.41**	**4,995.37**	**3,977.86**

The accompanying notes are Integral part of the standalone financial statements.

As per report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership No. 095169
Place : Gurugram
Date: April 29, 2023

For and on behalf of the Board of Directors of GHCL Limited

sd/-
Dr. Manoj Vaish
Director
DIN: 00157082

sd/-
R. S. Jalan
Managing Director
DIN: 00121260

sd/-
Raman Chopra
CFO & Executive Director-Finance
DIN: 00954190
Place : New Delhi
Date: April 29, 2023

sd/-
Bhuwneshwar Mishra
Vice President- Sustainability &
Company Secretary
Membership No.: FCS5330

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(INR in crores)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Revenue from continuing operations			
Revenue from operations	21	4,545.42	3,052.14
Other income	22	39.11	9.96
Total Income		**4,584.53**	**3,062.10**
Expenses from continuing operations			
Cost of raw materials consumed	23	1,281.91	950.54
Purchase of stock in trade		323.09	236.28
(Increase)/ Decrease in inventories of finished goods, stock-in-trade and work-in-progress	24	(12.18)	(12.73)
Power, fuel and water		854.62	566.41
Employee benefit expenses	25	134.07	108.36
Depreciation and amortization expense	26	94.22	86.92
Finance costs	27	38.67	51.34
Other expenses	28	482.86	476.98
Total expenses		**3,197.26**	**2,464.10**
Profit before exceptional items and tax from continuing operations		1,387.27	598.00
Exceptional items	53	(75.73)	-
Profit before tax from continuing operations		**1,463.00**	**598.00**
Tax expense from continuing operations:	12		
Current tax		353.65	148.91
Tax adjustment of earlier years		(0.62)	(0.02)
Deferred tax (credit)/ charge		(5.83)	3.16
Total tax expense		**347.20**	**152.05**
Profit for the year from continuing operations		**1,115.80**	**445.95**
Profit before tax for the year from discontinued operations		33.37	283.17
Tax Expense of discontinued operations		(7.60)	(79.07)
Profit for the year from discontinued operations		25.77	204.10
Profit for the year		**1,141.57**	**650.05**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent years			
Re-measurement Gain/(Loss) on defined benefit plans		(3.90)	0.44
Income tax effect		0.98	(0.11)
Re-measurement Gain/(Loss) on investment in equity		(0.21)	1.32
Income tax effect		(0.48)	-
Items to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(0.56)	0.14
Net other comprehensive income not to be reclassified to profit or loss in subsequent years	29	**(4.17)**	**1.79**
Total comprehensive income for the year, net of tax		**1,137.40**	**651.84**
Profit from Continuing Operations			
Owners of the Company		1,115.80	445.95
Non-controlling interest		-	-
Profit from Discontinue Operations			
Owners of the Company		25.77	204.10
Non-controlling interest		-	-
Profit for the year attributable to :			
Owners of the Company		1,141.57	650.05
Non-controlling interest		-	-
Other comprehensive income/ loss for the year attributable to :			
Owners of the Company		(4.17)	1.79
Non-controlling interest		-	-
Total comprehensive income for the year attributable to:			
Owners of the Company		1,137.40	651.84
Non controlling interest		-	-
Earnings per share for continuing operations per equity share nominal value of shares INR 10 (Previous year INR 10 each)			
Basic (INR)		117.35	46.82
Diluted (INR)		117.35	46.67
Earnings per share for discontinued operations per equity share nominal value of shares INR 10 (Previous year INR 10 each)			
Basic (INR)		2.71	21.42
Diluted (INR)		2.71	21.35
Earnings per share for continuing and discontinued operations per equity share nominal value of shares INR 10 (Previous year INR 10 each)			
Basic (INR)		120.06	68.24
Diluted (INR)		120.06	68.02

The accompanying notes are Integral part of the standalone financial statements.

As per report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership No. 095169
Place : Gurugram
Date: April 29, 2023

For and on behalf of the Board of Directors of GHCL Limited

sd/-
Dr. Manoj Vaish
Director
DIN: 00157082

sd/-
R. S. Jalan
Managing Director
DIN: 00121260

sd/-
Raman Chopra
CFO & Executive Director-Finance
DIN: 00954190
Place : New Delhi
Date: April 29, 2023

sd/-
Bhuwneshwar Mishra
Vice President- Sustainability &
Company Secretary
Membership No.: FCS5330

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(INR in crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Operating activities		
Profit before tax from continuing operations (after exceptional item before tax)	1,463.00	598.00
Profit before tax from discontinued operations	33.37	283.17
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	134.56	131.87
(Gain) on sale of investments/Provision for diminution in value of investment	(16.76)	(0.51)
(Gain) on sale of Home textile business	(79.78)	-
Provision for doubtful debts	(0.19)	-
Loss on sale/disposal of property, plant and equipment and asset held for sale	16.29	2.84
Interest income	(1.97)	(0.40)
Finance costs	46.51	70.62
Dividend Income	(0.13)	(0.05)
Employees share based payments	13.29	0.04
Unrealised exchange Loss	2.25	3.52
Operating Profit before working capital changes	**1,610.44**	**1,089.10**
Changes in working capital		
Adjustments for (Increase)/decrease in Operating assets:		
Trade receivables	(65.63)	(103.06)
Inventories	(191.04)	(381.34)
Other current financial assets	(10.66)	4.47
Other current assets	36.43	(111.39)
Non-current financial assets	(7.39)	(9.00)
Other non-current assets	(4.73)	0.01
Adjustments for Increase/(decrease) in Operating liabilities:		
Contract liabilities	(0.59)	4.14
Trade payables	(68.02)	26.81
Derivative instruments	-	2.72
Other current financial liabilities	(0.04)	295.39
Other current liabilities	(7.26)	27.80
Provisions	7.89	2.69
Cash generated from operations	**1,299.40**	**848.34**
Income tax paid (net)	(443.24)	(204.92)
Net cash generated from operating activities (A)	**856.16**	**643.42**
Cash flow from investing activities		
Payment of Property, plant and equipment, capital work in progress and intangible assets	(357.56)	(337.45)
Proceeds from sale of Property, plant and equipment	7.58	-
Proceeds from sale of Home textile Business	293.27	-
Proceeds from sales of investments	3,347.27	0.43
Purchase of investments	(3,695.21)	-
Interest received	1.97	0.40
Dividend received	0.13	0.05
Net cash flow (used in) investing activities (B)	**(402.55)**	**(336.57)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(INR in crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022 (Restated)
Cash flow from financing activities		
Proceeds from issue of equity shares (including premium)	3.53	5.06
Dividend paid	(142.68)	(52.00)
Proceeds from long-term borrowings	-	100.00
Repayment of long-term borrowings	(135.68)	(249.41)
Proceeds / (Repayment) from short-term borrowings	(206.72)	166.71
Payment of lease liabilities	(3.71)	(3.23)
Bank deposit not considered as cash and cash equivalents matured	4.75	1.72
Bank deposit not considered as cash and cash equivalents placed	(10.96)	(1.63)
Interest paid	(44.69)	(65.29)
Net cash used in financing activities (C)	**(536.16)**	**(98.07)**
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**(82.54)**	**208.78**
Cash and cash equivalents at the beginning of the year	**243.75**	**34.97**
Cash and cash equivalents at the end of the year	**161.21**	**243.75**
Components of cash and cash equivalents		
Cash on hand	0.10	0.08
Balances with banks:		
- On current accounts	50.86	30.30
- Deposits with original maturity of less than three months	110.25	213.37
Total cash and cash equivalents	**161.21**	**243.75**

Notes:

1. The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

The accompanying notes are Integral part of the standalone financial statements.

As per report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership No. 095169
Place : Gurugram
Date: April 29, 2023

For and on behalf of the Board of Directors of GHCL Limited

sd/-
Dr. Manoj Vaish
Director
DIN: 00157082

sd/-
R. S. Jalan
Managing Director
DIN: 00121260

sd/-
Raman Chopra
CFO & Executive Director-Finance
DIN: 00954190
Place : New Delhi
Date: April 29, 2023

sd/-
Bhuwneshwar Mishra
Vice President- Sustainability &
Company Secretary
Membership No.: FCS5330

Consolidated Statement of changes in equity

for the year ended March 31, 2023

A. Equity share capital

For the year ended March 31, 2023

Equity shares of INR 10 each issued, subscribed and fully paid up

(INR in crores)

Particulars	Number of shares	Amount
As at April 01, 2022	9,53,50,786	95.35
Changes in share capital ESOS issued during the year (May 30, 2022)	2,35,000	0.24
Balance as at March 31, 2023	**9,55,85,786**	**95.59**

For the year ended March 31, 2022

Equity shares of INR 10 each issued, subscribed and fully paid up

Particulars	Number of shares	Amount
As at April 01, 2021	9,50,13,286	95.01
Changes in share capital ESOS issued during the year (July 15, 2021)	3,37,500	0.34
Balance as at March 31, 2022	**9,53,50,786**	**95.35**

B. Other equity

Particulars	Reserves and Surplus (Refer note 15)										
	Capital reserve (A)	Business development reserve (B)	Capital redemption reserve (C)	Securities premium (D)	Retained earnings (E)	Share based payment reserve (F)	Treasury shares (G)	General reserve (H)	FVTOCI Reserve (I)	Foreign currency translation reserve (Refer note 15J)	Total
As at April 01, 2021	7.57	73.89	16.36	-	2,262.73	11.43	-	5.45	12.29	(0.47)	2,389.24
Adjustment on account of restatment (Refer note 49)	-	(73.89)	-	-	(67.71)	-	-	-	-	-	(141.60)
As at April 01, 2021 (Restated)	7.57	-	16.36	-	2,195.02	11.43	-	5.45	12.29	(0.47)	2,247.64
Reserve created on account of ESOS issued during the year	-	-	-	10.69	-	(5.99)	-	-	-	-	4.70
Profit for the year	-	-	-	-	650.05	-	-	-	-	-	650.05
Share based payments (Refer note 25)		-	-	-	-	0.04	-	-	-	-	0.04
Dividend paid		-	-	-	(52.27)	-	-	-	-	-	(52.27)
Other comprehensive loss for the year, net of tax (Refer note 29)		-	-	-	0.33	-	-	-	1.32	0.14	1.79
Balance as at March 31, 2022	7.57	-	16.36	10.69	2,793.13	5.48	-	5.45	13.61	(0.33)	2,851.95

Consolidated Statement of changes in equity

for the year ended March 31, 2023

Particulars	Reserves and Surplus (Refer note 15)								FVTOCI Reserve (I)	Foreign currency translation reserve (Refer note 15J)	Total
	Capital reserve (A)	Business development reserve (B)	Capital redemption reserve (C)	Securities premium (D)	Retained earnings (E)	Share based payment reserve (F)	Treasury shares (G)	General reserve (H)			
Reserve created on account of ESOS issued during the year		-	-	7.58	-	(4.25)	-		-	-	3.33
Profit for the year		-	-	-	1,141.57	-	-	-	-	-	1,141.57
Share based payments (Refer note 25)		-	-	-	-	13.29	-	-	-	-	13.29
Treasury shares acquired by GHCL Employees Stock Option Trust		-	-	-	-	-	(5.35)	-	-	-	(5.35)
Dividend paid		-	-	-	(142.68)	-	-	-	-	-	(142.68)
Other comprehensive income for the year, net of tax (Refer note 29)		-	-	-	(2.92)	-	-	-	(0.69)	(0.56)	(4.17)
Balance as at March 31, 2023	7.57	-	16.36	18.27	3,791.36	14.52	(5.35)	5.45	12.92	(0.89)	3,860.18

The accompanying notes are Integral part of the standalone financial statements.

As per report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership No. 095169
Place : Gurugram
Date: April 29, 2023

For and on behalf of the Board of Directors of GHCL Limited

sd/-
Dr. Manoj Vaish
Director
DIN: 00157082

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R. S. Jalan
Managing Director
DIN: 00121260

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Raman Chopra
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Date: April 29, 2023

sd/-
Bhuwneshwar Mishra
Vice President- Sustainability &
Company Secretary
Membership No.: FCS5330

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

1. Corporate information

The consolidated financial statements comprise financial statements of GHCL Limited (GHCL) and its subsidiaries (collectively, the Group) as at and for the year ended March 31, 2023. GHCL Limited ("GHCL" or the "Holding Company" or the "Parent") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed with the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The registered office of the Holding Company is located at GHCL House, Opp. Punjabi Hall, Near Navrangpura Bus Stand, Navrangpura, Ahmedabad - 380 009, Gujarat.

The Group is engaged in the business of manufacturing and trading of Inorganic Chemicals (mainly manufacture and sale of Soda Ash).

Pursuant to the Business Transfer Agreement dated December 06, 2021 and Amendment to the Business Transfer Agreement dated March 30, 2022 with Indo Count Industries Limited (ICIL), the Holding Company on April 02, 2022 had transferred its Home Textile Business (comprising of weaving, processing, cutting and sewing of home textile products, hereinafter referred as ""HT Business"") as a going concern on a slump sale basis during the current year (Refer Note 45).

The Board of Directors of the Holding Company at their meeting held on December 06, 2021 approved a Scheme of Arrangement under Section 230-232 of the Companies Act 2013 consisting of demerger of Spinning Division of GHCL Limited ('Demerged Company') into GHCL Textiles Limited ('Resulting Company') (the "Scheme"). (Refer Note 45).

Accordingly, both the above said business have been disclosed as discontinued operations.

Information on the Group's structure is provided in Note 46.

Information on related party relationships of the Group is provided in Note 36.

The consolidated financial statements are approved for issue in accordance with a resolution of the Board of Directors on April 29, 2023.

2. Significant accounting policies

2.1 Basis of preparation

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) as applicable to the CFS.

The Consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities that have been carried at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),.

The consolidated financial statements are presented in Indian Rupees (INR) and all values are recorded to the nearest crores (INR'00,00,000), except otherwise indicated.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statement of GHCL Limited and its subsidiaries as of March 31, 2023. Control is achieved when the Group is exposed or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

(ii) Exposure, or rights, to variable returns from its involvement with the investee, and

(iii) The ability to use its power over the investee to affect its returns.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

Generally, there is a presumption that majority voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee

(ii) Rights arising from other contractual arrangements

(iii) The Group's voting rights and potential voting rights

(iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on 31 March. When the end of the reporting year of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation Procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra Group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS - 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intra Group transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it

(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary

(ii) Derecognises the carrying amount of any non-controlling interests

(iii) Derecognises the cumulative translation differences recorded in equity

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

(iv) Recognises the fair value of the consideration received

(v) Recognises the fair value of any investment retained

(vi) Recognises any surplus or deficit in profit or loss

(vii) Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

(d) Change in ownership interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with the equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

2.3 Summary of significant accounting policies

a) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting year, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting year, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

b) Fair value measurement

The Group measures financial instruments, such as derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value,

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

The Holding Company's Audit Committee determine the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuer are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuer is decided upon annually by the Valuation Committee after discussion with and approval by the Holding Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuer are normally rotated every three years. The Valuation Committee decides, after discussions with the Holding Company's external valuer, which valuation techniques and inputs to use for each case.

At each reporting date, the Audit Committee analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the members of Banking & Operations Committee verify the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Banking & Operations Committee also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the members of Banking & Operations Committee present the valuation results to the Audit Committee and the Holding Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Financial instruments (including those carried at amortised cost)
- Quantitative disclosure of Fair Value hierarchy

c) Revenue from Contracts with Customers

The Group derives revenues primarily from sale of inorganic chemicals, textile and other products.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

- Recognise revenue when or as an entity satisfies performance obligation.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 31.

Sale of goods

For sale of goods, revenue is recognised when control of the goods has transferred at a point in time i.e. when the goods have been delivered to the specific location (delivery). Following delivery, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. The average payment terms range between 15 – 60 days. The Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group recognizes changes in the estimated amount of variable consideration in the year in which the change occurs. Some contracts for the sale of goods provide customers with volume rebates and pricing incentives, which give rise to variable consideration.

The Group provides retrospective volume rebates and pricing incentives to certain customers once the quantity of products purchased during the year exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Group then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

The disclosures of significant estimates and assumptions relating to the estimation of variable consideration for volume rebates are provided in Note 31

Contract balances

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (p) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Cost to obtain a contract

The Group pays sales commission to its selling agents for each contract that they obtain for the Group. The Group applies the optional practical expedient to immediately expense costs to obtain a contract

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

if amortisation year would have been recognised is one year or less. As such, sales commissions are immediately recognised as an expense and included as part of Other Expenses. Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the year in which related revenue is recognised.

d) Other revenue streams

Export Benefits

Export benefits arising from Remissions of Duties and Taxes on Exported Products (RoDTEP), Duty Drawback Scheme, Merchandise Export Incentive Scheme and Rebate of State and Central Taxes and Levies (ROSCTL) are recognised on export of such goods in accordance with the agreed terms and conditions with customers.

Revenue from export benefits measured at the fair value of consideration received or receivable net of returns and allowances, cash discounts, trade discounts and volume rebates.

Rendering of services

Revenue from rendering of services is recognised when the performance obligation to render the services are completed as per contractually agreed terms.

Dividend

Dividend on financial assets is recognised when the Group's right to receive the payment is established i.e. when it is probable that the economic benefit associated with the dividend will flow to the entity.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter year, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Scrap Sales

Income from Sale of Scrap is recognized at the point in time when control of assets is transferred to the customer.

Insurance Claims

Insurance claims are recognized when there exists no significant uncertainty with regards to the amount to be realised and ultimate collection thereof.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

e) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in accordance with the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in Other comprehensive income (OCI) or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except :

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Goods and Service tax paid on acquisition of assets or on incurring expenses

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Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

f) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Items such as spare parts, stand-by equipment and servicing equipment are recognized as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Such cost includes the cost of replacing part of the plant and equipment and borrowing cost for long term construction projects if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the management. Depreciation for assets purchased/ sold during a year is proportionately charged. Leases relating to land are amortized equally over the year of lease. Leased mines are depreciated over the estimated useful life of the mine or lease year, whichever is lower. The Management estimates the useful lives for the fixed assets, except lease mines and leasehold land, as follows.:

Particulars	Life Considered
Buildings	30/60 years
Roads (Included under buildings)	10 years
Plant & Equipment (other than electrical installations)	5 to 25 years*
Electrical Installations and Equipment (included in plant & equipment)	10 years
End user devices, such as, desktops, laptops, etc. (included under office equipments)	3 years
Servers and networks (included under office equipments)	6 years
Office Equipments	5 years
Furniture & Fixture	10 years
Salt Works & Reservoirs	5 years
Vehicles	8 to 10 years
Wind Turbine	22 years
Solar Power	22 years

* For these class of assets, based on internal assessment, the management believes that the useful lives as given above best represent the year over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the year over which the assets are likely to be used.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate

g) **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation year and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation year or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets comprising of computer software and trademark with finite useful life are amortised on straight line basis over estimated useful life of three years.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of an intangible asset are calculated as the difference between the net disposal proceeds and the carrying amount of the asset and is included in the statement of profit and loss when the asset is derecognised.

h) **Non-current Asset held for sale and discontinued operations**

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

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Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the Statement of Profit and Loss.

As mandated by Ind AS 105, assets and liabilities has not been reclassified or re-presented for prior period i.e. year ended March 31, 2022.

Basis of segregation into discontinued operations and additional disclosures in respect of discontinued operations are provided in note 45 to the financial statements.

i) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial year of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the year in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

- The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Buildings 1 to 9 years
- Salt Works 30 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (p) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the year in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the

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commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

k) Inventories

Inventories, except for Stores & Spares and Loose Tools, are stated at cost or net realizable value, whichever is lower

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average cost basis.
- Finished goods (Including goods in transit) & Work in progress: Cost includes material cost, cost of conversion, depreciation, other overheads to the extent applicable. Cost is determined on weighted average cost basis.
- Stock in trade: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Stores and spares: are stated at cost less provision, if any, for obsolescence. Cost is determined on moving weighted average cost basis and cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

l) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of three years. For longer years, a long-term growth rate is calculated and applied to project future cash flows after the third year. To estimate cash flow projections beyond years covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing

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rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to OCI.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

m) Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Decommissioning liability

The present value of the expected cost for the decommissioning of an asset after its use and leasehold improvements on termination of lease is included in the cost of the respective asset if the recognition criteria for a provision are met. The Parent records a provision for decommissioning costs of its plant for manufacturing of Soda Ash and leasehold improvements at the leasehold land. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

The impact of climate-related matters on remediation of environmental damage is considered with determining the decommissioning liability on the manufacturing facility.

Onerous Contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both

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incremental costs and an allocation of costs directly related to contract activities).

n) Gratuity and other post-employment benefits

Retirement benefit in the form of provident fund and superannuation fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund and superannuation fund. The Group recognizes contribution payable to the provident fund and superannuation fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

o) Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, in the year in which the performance and/or service conditions are fulfilled in employee benefits

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expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

p) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular day trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Group financial assets at amortised cost includes trade receivables and loan to an associate and loan to a director included under other non-current financial assets.

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

The Group's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full

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without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Companies continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., debt securities, deposits, trade receivables and bank balance.

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind-AS 116

d) Trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent year, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 -month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected in a separate line in the P&L as an impairment gain or loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contract assets and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

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(INR in crores)

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gain /loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at amortised cost (Loans and Borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 16.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

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(INR in crores)

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest. The following table shows various reclassification and how they are accounted for as per below:

i) Amortised cost to FVTPL - Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.

ii) FVTPL to Amortised Cost - Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.

iii) Amortised cost to FVTOCI - Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.

iv) FVTOCI to Amortised cost - Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.

v) FVTPL to FVTOCI - Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.

vi) FVTOCI to FVTPL - Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

q) Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

r) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. Bank balances other than the balance included in cash and cash equivalents represents balance on account of unpaid dividend and margin money deposit with banks.

s) Dividend

The Group recognises a liability to pay dividend to equity holders when the distribution is authorised and the distribution is no longer at the discretion

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of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

t) Government Grants:

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions complied in. When the grant relates to an expense item, it is recognised as Income on a systematic basis over the years that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as an income in equal amounts over the expected useful life of the related asset.

u) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent Group's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency, using the spot exchange rates at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items e recognised in Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of nonmonetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI.

v) Contingent Liabilities

A Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrgnce of one or more uncertain future events beyond the control of the Group or a present obligation that is recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because cannot be measured reliably. Therefore the Group does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity

w) Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders of the Holding Company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. . Treasury shares are reduced while computing basic and diluted earnings per share.

Notes to the Consolidated Financial Statements

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(INR in crores)

x) **Treasury shares**

The Holding Company has created a GHCL Employees Stock Option Trust for providing share-based payment to its employees. The Holding Company uses GHCL Employees Stock Option Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The GHCL Employees Stock Option Trust buys shares of the Holding Company from the market, for giving shares to employees. The Holding Company treats GHCL Employees Stock Option Trust as its extension and shares held by GHCL Employees Stock Option Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Holding Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in Securities premium . Share options exercised during the reporting period are satisfied with treasury shares.

(y) **New and amended standards**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, to amend the following Ind AS which are effective from April 01, 2022.

(a) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

(b) Reference to the Conceptual Framework – Amendments to Ind AS 103

(c) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

(d) Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter

(e) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

(f) Ind AS 41 Agriculture – Taxation in fair value measurements

There is no material impact on the consolidated financial statements of the Group on account of new and amended standards.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

3. Property, plant and equipment

Cost	Freehold Land	Leasehold Land *	Buildings	Plant and Equipments	Office Equipments	Furniture and Fixtures	Salt works reservoir	Vehicles	Leased Mines #	Wind Turbine Generator	Solar Power	Total	Capital work in progress	Asset held for sale	Total Amount
As at April 01, 2021	359.69	352.75	266.33	2,039.27	10.16	8.75	5.06	3.65	9.47	141.54	8.23	3,204.90	80.54	10.90	3,296.34
Additions-continuing operations	16.05	-	10.60	92.76	0.67	0.04	-	0.90	6.39	-	69.79	197.20	334.79	-	531.99
Additions in assets held for sale	-	-	1.77	2.62	0.35	0.05	-	-	-	-	-	4.79	-	593.08	597.87
Disposals-continuing operations	(1.64)	-	-	(10.12)	(0.21)	-	-	(0.60)	-	-	-	(12.57)	(201.99)	(8.94)	(223.50)
Adjustments due to Discontinued operations	(52.14)	(0.35)	(57.49)	(247.50)	(7.38)	(4.49)	-	(0.39)	-	(13.07)	-	(382.81)	(0.36)	-	(383.17)
As at March 31, 2022	**321.96**	**352.40**	**221.21**	**1,877.03**	**3.59**	**4.35**	**5.06**	**3.56**	**15.86**	**128.47**	**78.02**	**3,011.51**	**212.98**	**595.04**	**3,819.53**
Additions-continuing operations	3.75	-	17.30	96.16	1.37	0.16	13.34	0.93	-	-	-	133.01	138.56	-	271.57
Additions-Discontinued operations	2.38	-	37.92	173.43	0.67	1.02	-	0.19	-	-	0.43	216.05	195.41	-	411.46
Disposals-continuing operations	(0.05)	(16.40)	(5.13)	(4.89)	(0.89)	(0.01)	(4.73)	(0.06)	-	-	-	(32.16)	(133.00)	-	(165.16)
Disposals-Discontinued operations	(0.50)	-	(0.20)	(9.34)	(0.10)	(2.48)	-	(0.01)	-	-	-	(12.64)	(216.04)	(594.81)	(823.49)
Adjustments due to Discontinued operations ##	(211.43)	(0.01)	(109.39)	(510.34)	(2.53)	(1.47)	-	(0.98)	-	(128.47)	(78.45)	(1,043.07)	(89.36)	(0.23)	(1,132.66)
Adjustments**	-	-	-	(16.23)	7.52	2.18	4.87	1.66	-	-	-	-	-	-	-
As at March 31, 2023	**116.11**	**335.99**	**161.71**	**1,605.82**	**9.63**	**3.75**	**18.54**	**5.29**	**15.86**	**-**	**-**	**2,272.69**	**108.55**	**0.00**	**2,381.24**

Accumulated depreciation	Freehold Land	Leasehold Land *	Buildings	Plant and Equipments	Office Equipments	Furniture and Fixtures	Salt works reservoir	Vehicles	Leased Mines #	Wind Turbine Generator	Solar Power	Total	Capital work in progress	Asset held for sale	Total Amount
As at April 01, 2021	-	29.19	53.65	402.12	5.92	4.23	2.37	1.05	9.26	39.01	1.03	547.81	-	-	547.81
Depreciation charge for the year continuing operations	-	4.86	5.58	69.60	1.27	0.35	0.58	0.42	0.03	-	-	82.69	-	-	82.69
Depreciation charge for the year discontinued operations	-	0.01	4.50	29.20	0.94	0.50	-	0.17	-	7.39	0.81	43.52	-	-	43.52
Adjustments due to Discontinued operations	-	(0.08)	(18.56)	(80.43)	(6.06)	(2.47)	-	(0.17)	-	(3.08)	-	(110.85)	-	-	(110.85)
Disposals-continuing operations	-	-	-	(5.84)	(0.14)	0.24	-	(0.45)	-	-	-	(6.19)	-	-	(6.19)
As at March 31, 2022	**-**	**33.98**	**45.17**	**414.65**	**1.93**	**2.85**	**2.95**	**1.02**	**9.29**	**43.32**	**1.84**	**556.98**	**-**	**-**	**556.98**
Depreciation charge for the year continuing operations	-	4.84	8.25	73.49	1.22	0.31	0.58	0.48	1.77	-	-	90.94	-	-	90.94
Depreciation charge for the year discontinued operations	-	-	5.46	23.54	0.41	0.05	-	0.09	-	6.94	3.50	39.99	-	-	39.99
Disposals-continuing operations	-	(1.80)	(5.06)	(3.27)	(0.87)	(0.02)	(4.74)	(0.03)	-	-	-	(15.79)	-	-	(15.79)
Disposals-discontinuing operations	-	-	(0.08)	(5.00)	(0.08)	(2.56)	-	-	-	-	-	(7.72)	-	-	(7.72)
Adjustments due to Discontinued operations ##	-	-	(16.02)	(35.79)	(1.79)	(0.34)	-	(0.48)	-	(50.89)	(5.34)	(110.65)	-	-	(110.65)
Adjustments**	-	-	0.19	(15.33)	5.93	2.03	4.86	1.68	-	0.64	-	(0.00)	-	-	(0.00)
As at March 31, 2023	**-**	**37.02**	**37.91**	**452.29**	**6.75**	**2.32**	**3.65**	**2.77**	**11.06**	**-**	**-**	**553.75**	**-**	**-**	**553.75**

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(INR in crores unless specified otherwise)

Net book value	Freehold Land	Leasehold Land *	Buildings	Plant and Equipments	Office Equipments	Furniture and Fixtures	Salt works reservoir	Vehicles	Leased Mines #	Wind Turbine Generator	Solar Power	Total	Capital work in progress	Asset held for sale	Total Amount
As at March 31, 2023	116.11	298.97	123.80	1,153.53	2.88	1.43	14.89	2.53	4.80	-	-	1,718.92	108.55	0.00	1,827.47
As at March 31, 2022	321.96	318.42	176.04	1462.38	1.66	1.50	2.11	2.54	6.57	85.15	76.18	2,454.53	212.98	595.04	3,262.55

Net book value	As at March 31, 2023	As at March 31, 2022
Property, plant and equipment	1,718.92	2,454.53
Capital work in progress	108.55	212.98
Asset classified as held for sale	0.00	595.04

Property plant and equipment are subject to charge to secure the Group's borrowings as discussed in Note 16

On transition to Ind AS (i.e. 1 April 2015), the company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

Leasehold Land *

Land for soda ash plant and for corporate office are taken on lease from the Government of India for a year of 90 to 99 Year leasehold lands are capitalised and amortised over the life of lease or life of assets (whichever is lower).

Adjustments represent interblock reclassification of assets**

Leased Mines #

Leased mines represents expenditure incurred on development of mines..

Discontinued Operations ##

Assets pertaining to Discontinued Operations represent the assets of Spinning Division unit to be transferred by the Company pursuant to the Scheme of Arrangement. (Refer Note no 45).

Asset held for sale ***

Assets held for sale represents the assets of Home textile business at Vapi unit to be transferred by the company pursuant to a Business transfer agreement and Land in Madurai (Yarn Unit) approved by Board for transfer in future. (Refer Note no 45)

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(INR in crores)

4. Intangible assets

Cost	Trademarks	Software	Total
As at April 01, 2021	2.65	12.20	14.85
Additions	-	-	-
Disposals	-	-	-
Adjustments due to Discontinued operations	(2.65)	(1.26)	(3.91)
As at March 31, 2022	**-**	**10.94**	**10.94**
Additions-continuing operations	-	0.65	0.65
Additions-Discontinued operations	-	0.15	0.15
Disposals-continuing operations	-	(0.03)	(0.03)
Disposals-Discontinued operations	-	(0.13)	(0.13)
Adjustments due to Discontinued Operations##	-	(0.61)	(0.61)
As at March 31, 2023	**-**	**10.97**	**10.97**

Amortisation	Trademarks	Software	Total
As at April 01, 2021	2.65	6.15	8.80
Amortization-continuing operations	-	2.91	2.91
Amortization-discontinued operations	-	0.12	0.12
Disposals- Amortization charge for the year continuing operations	-	-	-
Disposals- Amortization discontinuing operations	(2.65)	(0.85)	(3.50)
As at March 31, 2022	**-**	**8.33**	**8.33**
Amortization-continued operations	-	1.38	1.38
Amortization-discontinued operations	-	0.04	0.04
Disposals- continuing operations	-	(0.03)	(0.03)
Disposals- Amortization discontinued operations	-	(0.13)	(0.13)
Adjustments due to Discontinued operations##	-	(0.46)	(0.46)
As at March 31, 2023	**-**	**9.13**	**9.13**

Net book value	Trademarks	Software	Total
As at March 31, 2023	-	1.84	1.84
As at March 31, 2022	-	2.61	2.61

On transition to Ind AS (i.e. 1 April 2015), the Company had elected to continue with the carrying value of all Intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible assets.

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress as at March 31,2023	96.86	10.12	0.20	1.37	108.55
Projects in progress as at March 31,2022	198.78	8.00	5.78	0.42	212.98

CWIP	To be completed in			
Debottlenecking project at Soda ash plant	**Less than1 year**	**1-2 years**	**2-3 years**	**More than 3 years**
As at 31st March 2023	2.30	-	-	-
As at 31st March 2022	55.53	-	-	-

Assets pertaining to Discontinued Operations represent the assets of Spinning Division unit to be transferred by the Company pursuant to the Scheme of Arrangement. (Refer Note no 45).

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(INR in crores)

5. Investments

Particulars	As at March 31, 2023	As at March 31, 2022
A) Non - current Investments in Unquoted equity shares, at amortised cost#		
Nil (March 31, 2022: 5,200) of INR 10/- each fully paid up of DM Solar Farm Private Limited **	-	0.01
Nil (March 31, 2022: 1,32,700) of INR 10/- each fully paid up of OPG Power Generation Private Limited	-	0.15
Nil (March 31, 2022: 12,00,000) of INR 10/- each fully paid up of SSMT Power Private Limited**	-	1.20
Nil (March 31, 2022: 950) of INR 10/- each fully paid up of Puvaneshwari Enterprises ##	-	0.00
Nil (March 31, 2022: 950) of INR 10/- each fully paid up of Sarojarajan Green Power Energy ##	-	0.00
Nil (March 31, 2022: 970) of INR 10/- each fully paid up of AFCM Wind Farms Private Limited##	-	0.00
Nil (March 31, 2022: 970) of INR 10/- each fully paid up of AJSM Green Energy Private Limited ##	-	0.00
Nil (March 31, 2022: 780) of INR 10/- each fully paid up of APGL Green Energy Private Limited ##	-	0.00
Nil (March 31, 2022: 780) of INR 10/- each fully paid up of Jaichander Wind Farms Private Limited ##	-	0.00
Nil (March 31, 2022: 780) of INR 10/- each fully paid up of Sushmitha Titiksha Green Energy Private Limited ##	-	0.00
Nil (March 31, 2022: 2,440) of INR 10/- each fully paid up of Premchander Wind Farms ##	-	0.00
Nil (March 31, 2022: 2,440) of INR 10/- each fully paid up of Premchander Green Energy ##	-	0.00
Nil (March 31, 2022: 2,440) of INR 10/- each fully paid up of Jayanthi Wind Farms ##	-	0.00
Nil (March 31, 2022: 2,440) of INR 10/- each fully paid up of Jayanthi Green Energy ##	-	0.00
Nil (March 31, 2022: 2,600) of INR 10/- each fully paid up of Vaayu Renewable Energy (Mandvi) Private Limited **/##	-	0.00
Nil (March 31, 2022: 100 equity shares) of TCP Limited of INR 10/- each fully paid up ##	-	0.00
Total	**-**	**1.38**

** The Company did not exercise any significant influence on DM Solar Farm Pvt Ltd, SSMT Power Pvt Ltd & Vaayu Renewable Energy (Mandvi) Pvt Ltd thus were not considered as associates.

These investments pertain to discontinued operations and have been disclosed as discontinued operations in Note 45.

Appeared as zero since the amount Is below rounding off.

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(INR in crores)

Particulars		As at March 31, 2023	As at March 31, 2022
B)	**Non-current investments in Government securities**		
	Unquoted at amortised cost		
	7 years National Savings Certificates	0.04	0.04
	(Pledged with government authorities)		
		0.04	**0.04**
C)	**Non-current Investments in Equity Shares**		
	Quoted equity shares (through FVTOCI)		
	83,000 equity shares (March 31, 2022: 83,000 equity shares) of HDFC Bank Limited of INR 1/- each fully paid up	13.36	12.20
	68,598 equity shares (March 31, 2022: 68,598 equity shares) of IDBI Bank Limited of INR 10/- each fully paid up	0.31	0.29
	285 equity shares (March 31, 2022: 285 equity shares) of Bank of Baroda of INR 10/- each fully paid up	0.00	0.00
	272,146 equity shares (March 31, 2022: 272,146 equity shares) of GTC Industries Limited of INR 10/- each fully paid up	1.13	2.54
	4,500 equity shares (March 31, 2022: 4,500 equity shares) of Canara Bank of INR 10/- each fully paid up	0.13	0.10
	Total	**14.93**	**15.13**
D)	**Current Investments in Mutual funds**		
	Unquoted through (FVTPL)		
	2,44,27,154.64 units (March 31, 2022: Nil) of Aditya Birla Sun Life CRISIL IBX AAA - Jun 2023 - Index Fund Direct Growth	25.73	-
	5,46,592.33 units (March 31, 2022: Nil) of Aditya Birla Sun Life Savings Fund - Growth - Direct Plan	25.70	-
	2,57,658.69 units (March 31, 2022: Nil) of Axis Liquid Fund - Direct Growth - CFDG	64.44	-
	98,67,278.49 units (March 31, 2022: Nil) of Axis CRISIL IBX SDL May 2017 Index Fund - Direct Growth (CRDGG)	10.21	-
	2,38,731.86 units (March 31, 2022: Nil) of Bandhan Liquid Fund-Growth-(Direct Plan)	64.90	-
	1,69,913.48 units (March 31, 2022: Nil) of Baroda BNP Paribas Overnight Fund - Direct Plan Growth (On-D2-G)	20.00	-
	43,013.68 units (March 31, 2022: Nil) of HDFC Liquid Fund-Direct Plan-Growth Option	19.03	-
	1,56,428.58 units (March 31, 2022: Nil) of HSBC Liquid Fund - Direct Growth	35.07	-
	98,47,746.25 units (March 31, 2022: Nil) of ICICI Prudential Nifty SDL Sep 2027 Index Fund - Direct Plan - Growth	10.21	-
	48,311.82 units (March 31, 2022: Nil) of Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option (LFAGG)	26.61	-
	1,50,262.99 units (March 31, 2022: Nil) of SBI Liquid Fund Direct Growth	52.94	-
	84,737.01 units (March 31, 2022: Nil) of Union Overnight Fund Growth - Direct Plan	10.00	-
	Total	**364.84**	**-**
	Total Non-current Investments (A+B+C)	**14.96**	**16.55**
	Total Current Investments (D)	**364.84**	**-**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Total	**379.80**	**16.55**
Aggregate book value of quoted investments	14.93	15.13
Aggregate market value of quoted investments	14.93	15.13
Aggregate value of unquoted investments	364.88	1.42

Investments at fair value through OCI (fully paid) reflect investment in quoted and unquoted equity securities and quoted debt securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Group. Thus disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding. The Group has not transferred any gain or loss within equity . Refer Note 39 for determination of their fair values.

6A. Loans

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good, unless stated otherwise)		
(at amortised cost)		
Loan to Employees	0.76	-
-Others	8.23	7.88
Total	**8.99**	**7.88**

No loans are due from directors or other officer's of the Group either severally or jointly with any other person. Not any loans are due from firm or any private companies respectively in which any director is a partner, a director or a member

6B. Other non-current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits, Unsecured Considered good	1.93	9.84
Bank deposits having a maturity of more than 12 months		
- On escrow account#	14.34	12.08
- On account of margin money deposited*	-	0.15
Total other non-current financial assets	**16.27**	**22.07**

As per the guidelines of the Ministry of Coal, Government of India all Coal Mine owners who are operating Coal Mines are required to prepare a Mine Closure Plan and need to open an escrow for depositing money towards mine closure activity on approval of such plan. Annual amount to be deposited shall be as per mine closure plan. Total amount deposited along with interest shall be refunded as per conditions of approved mine plan.

* Margin money held with banks against opening of letter of credit (LC) and bank guarantee.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

7. Other-non current assets

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured considered good)		
Capital advances	61.91	84.81
Deposits with statutory authorities under protest	9.97	5.54
Total other non current assets	**71.88**	**90.35**

No advances are due from directors or other officer's of the Group either severally or jointly with any other person. Not any advances are due from firm or any private companies respectively in which any director is a partner, a director or a member other than stated above.

8. Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Inventories valued at lower of cost and net realizable value		
Raw materials	457.02	559.72
[includes in transit INR 3.79 crores (March 31, 2022: INR 8.76 crores)]	-	-
Work-in-progress	7.21	27.92
Finished goods	97.28	99.09
[includes in transit INR 15.92 crores (March 31, 2022: INR 26.03 crores)]	-	
Stock-in-trade	33.57	54.33
Stores and spares	177.25	203.17
Total inventories	**772.33**	**944.23**

9. Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables	218.41	229.44
	218.41	**229.44**

Break-up for security details

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
- Secured, considered good	20.82	84.66
- Unsecured, considered good	197.59	144.78
- Trade Receivables - credit impaired	-	0.57
	218.41	**230.01**
Impairment Allowance (allowance for bad and doubtful debts)		
- Trade Receivables - credit impaired	-	(0.57)
Total Trade receivables	**218.41**	**229.44**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

Trade Receivables Ageing Schedule

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment							
	Not Billed	Current but Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	-	117.35	101.06	-	-	-	-	218.41
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
	-	**117.35**	**101.06**	**-**	**-**	**-**	**-**	**218.41**

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment							
	Not Billed	Current but Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	-	-	229.44	-	-	-	-	229.44
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	0.03	0.11	0.07	0.36	0.57
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
	-	**-**	**229.44**	**0.03**	**0.11**	**0.07**	**0.36**	**230.01**

No trade or other receivable are due from directors or other officer's of the Group either severally or jointly with any other person. Not any trade or other receivable are due from firm or private companies respectively in which any director is a partner, a director or a member other than stated above.

For terms and conditions related to related party receivables, Refer Note 36

Trade receivables are non-interest bearing and are generally on terms of 15 to 60 days.

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

10A. Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with bank		
- On current account	48.32	30.13
- Deposits with original maturity of less than three months	75.00	213.37
Cash on hand	0.08	0.08
Total cash and cash equivalents	**123.40**	**243.58**
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:		
Balances with bank		
- On current account	48.32	30.13
- Deposits with original maturity of less than three months	75.00	213.37
Cash on hand	0.08	0.08
Cash at bank and cash on hand attributable to discontinued operations (Note 45)	37.23	0.17
Total cash and cash equivalents	**160.63**	**243.75**

10B. Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
- On unpaid dividend account	5.14	4.52
- On account of margin money deposited*	11.23	7.13
Total bank balances other than cash and cash equivalents	**16.37**	**11.65**

* Margin money held with banks against letter of credit and bank guarantee.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

Changes in liabilities arising from financing activities

Particulars	Current	
	As at March 31, 2023	As at March 31, 2022
Opening balance of borrowings	206.03	41.35
Cash flows	(206.72)	166.71
Foreign exchange management		-
Changes in fair values	0.69	(2.03)
Closing Balance of borrowings	**-**	**206.03**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

Changes in liabilities arising from financing activities

Particulars	Non Current	
	As at March 31, 2023	As at March 31, 2022
Opening balance of borrowings	561.43	726.75
Cash flows	(135.68)	(149.41)
Foreign exchange management	1.06	2.05
Changes in fair values	(0.70)	-
Closing balance of borrowings pertaining to Discontinued Operations (Refer Note 45)	(78.59)	(17.96)
Closing Balance of borrowings	**347.52**	**561.43**

11A. Loans

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good, unless stated otherwise)		
Loan to employees	0.92	2.01
Loan to ESOS trust (Refer Note 36 & 43)	-	5.53
Others	0.43	0.30
Total Loans	**1.35**	**7.84**

No loans are due from directors or other officer's of the Group either severally or jointly with any other person. Not any loans are due from firm or any private companies respectively in which any director is a partner, a director or a member other than stated above.

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risks of the counter parties.

Details of Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment ::

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
KMPs		
March 31, 2023	0.11	6.39%
March 31, 2022	0.09	1.19%
Related Parties		
March 31, 2023	-	-
March 31, 2022	-	-

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

Breakup of financial assets carried at amortised cost

Particulars	As at March 31, 2023	As at March 31, 2022
Loans (Refer Note 6A & 11A)	10.34	15.72
Security Deposits (Refer Note 6B)	1.93	9.44
Trade receivables (Refer Note 9)	218.41	229.44
Cash and cash equivalents (Refer Note 10A)	123.40	243.58
Investments (Refer Note 5)	379.80	16.55
Other current financial assets (Refer Note 11B)	11.89	5.95
Total financial assets carried at amortised cost	**745.77**	**520.68**

11B. Other current financial asset at amortised cost

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good, unless stated otherwise)		
Export incentives receivable	-	2.94
Subvention receivable	-	2.41
Others	11.89	0.60
(Includes insurance claim receivable)		
Total Other current financial asset at amortised cost	**11.89**	**5.95**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

12. Income Tax and deferred tax

Non Current tax assets (net)	As at March 31, 2023	As at March 31, 2022
Advance income tax including TDS (net of provisions)	24.02	-
Total	**24.02**	**-**

Current tax liabilities (net)	As at March 31, 2023	As at March 31, 2022
Income tax payable (net of advance taxes and TDS)	-	14.54
Total	**-**	**14.54**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022:

Particulars	As at March 31, 2023	As at March 31, 2022
Accounting profit before tax from continuing operations	1,463.00	574.16
Accounting profit before tax from a discontinued operation	33.37	294.25
Accounting profit before income tax	**1,496.37**	**868.41**
At India's statutory income tax rate of 25.168%	376.61	218.56
Adjustments of tax on following items to arrive at tax as per statement of profit and loss:		
- Depreciation on capital assets not allowable as per Income Tax Act, 1961	1.24	4.36
- Charity, donation and CSR expenses	4.50	2.49
- Deduction under Chapter VI-A of Income Tax Act, 1961	(0.12)	(0.04)
-Dimunition in value of investment	-	6.28
- items disallowed under Income Tax Act, 1961	0.24	-
- Impact on change in indexed cost of acquisition on fair valuation gain of land	(18.33)	(3.34)
- items of capital nature	0.44	0.40
- Others	1.29	2.45
At the effective income tax rate of 24.38% (March 31, 2022: 26.62%)	**359.83**	**231.17**
Income tax expense reported in the statement of profit and loss from continuing operations	353.65	148.92
Income tax and deferred tax recognised under exceptional items	4.41	-
Deferred tax expense reported in the statement of profit and loss from continuing operations	(5.83)	3.16
Income tax expense reported in the statement of profit and loss from discontinued operations	7.60	79.09
	359.83	**231.17**
Tax adjustments for earlier years	(0.62)	(0.03)
Total tax expenses	**359.21**	**231.14**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

Deferred tax expense/(income) relates to the following:

Particulars	As at March 31, 2023	As at March 31, 2022
Property, plant and equipment	(43.68)	7.46
Unamortised borrowing costs	(0.23)	0.49
Right to use assets	(0.10)	(0.27)
Unrealised gain on investments at FVTPL	1.22	-
Unrealised gain on investments at FVTOCI	0.48	-
Expenditure allowable on payment basis under Section 43B of Income Tax Act, 1961 & on other items	(0.53)	(1.45)
Lease liabilities	(0.08)	0.13
Other comprehensive income	-	(0.30)
Items under Section 35 DDA of Income Tax Act, 1961	(0.94)	-
Provision for Onerous contract	(1.97)	-
Deferred tax (credit)/expenses	**(45.82)**	**6.05**
Disclosed as follows:		
Deferred tax expenses recognised in Other Comprehensive Income	0.48	0.11
Deferred tax expenses recognised in discontinued operations	3.43	2.77
Deferred tax (credit) recognised under exceptional items	(43.89)	-
Deferred tax (credit) recognised statement profit and loss under tax expense	(5.83)	3.16
Total Deferred tax expense/(income)	**(45.81)**	**6.04**

Deferred tax relates to the following:

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities on:		
Property, plant and equipment	(368.45)	(412.13)
Unamortised borrowing costs	(0.26)	(0.49)
Right to use assets	(2.69)	(2.79)
Unrealised gain on investments at FVTPL	(1.22)	-
Unrealised gain on investments at FVTOCI	(0.48)	-
Deferred tax assets on:		
Expenditure allowable on payment basis under Section 43B of Income Tax Act, 1961 & on other items	4.39	3.86
Lease liabilities	3.48	3.40
Other Comprehensive income	0.30	0.30
items under Section 35 DDA of Income Tax Act, 1961	0.94	-
Provision for onerous contract	1.97	-
Net deferred tax liabilities	**(362.02)**	**(407.84)**
Less: Liabilities directly associated with Discontinued operations disclosed under Note No 45	118.52	-
	(243.50)	**(407.84)**

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Reflected in the balance sheet as follows:		
Deferred tax assets	11.08	7.56
Deferred tax liabilities	(373.10)	(415.40)
Deferred tax liabilities, net	**(362.02)**	**(407.84)**
Less: Liabilities directly associated with Discontinued Operations disclosed under Note No 45	118.52	-
	(243.50)	**(407.84)**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. .

13. Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good unless stated otherwise)		
Balances with statutory authorities	7.25	64.97
Advances recoverable in cash or kind	14.92	60.71
Prepaid expenses	2.39	2.61
Gratuity plan asset (net of defined benefit obligation) (Refer Note 32)	1.92	-
Others	4.37	5.29
Total other current assets	**30.85**	**133.58**

No advances are due from directors or other officer's of the Group either severally or jointly with any other person. Not any advances are due from firm or any private companies respectively in which any director is a partner, a director or a member other than stated above.

14. Share capital

Authorised share capital

Particulars	Number of Shares (of INR 10 each)	Amount
As at April 01, 2021	17,50,00,000	175.00
Increase/(Decrease) during the year	-	-
As at March 31, 2022	**17,50,00,000**	**175.00**
Increase/(Decrease) during the year	-	-
As at March 31, 2023	**17,50,00,000**	**175.00**

As a part of the Scheme of Arrangement (Refer Note 45 B), the authorized share capital of the Company will get reduced to INR 140 crores made up of 14,00,00,000 Equity Shares of Re. 10/- each with effect from April 1, 2023.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

Terms / rights attached to equity shares

The Company has one class of equity shares having a par value of INR 10 per share. Each shareholder is entitled to one vote per equity share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting, except in case of interim dividend. In the event of liquidation on the Company, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding. The Company declares and pay dividend in Indian Rupee

Issued, Subscribed and fully paid up equity shares

Particulars	Number of Shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
As at April 01, 2021	9,50,13,286	95.01
Changes in share capital - ESOS issued during the year (July 15, 2021)	3,37,500	0.34
As at March 31, 2022	**9,53,50,786**	**95.35**
Changes in share capital - ESOS issued during the year (May 30, 2022)	2,35,000	0.24
As at March 31, 2023	**9,55,85,786**	**95.59**

Particulars	As at March 31, 2023	As at March 31, 2022
Shareholder's holding more than 5% shares		
Promoter & Promoter Group	19.05%	19.07%
DSP Small Cap Fund	6.16%	8.53%

As per records of the parent, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares...

No shares have been issued by the Company for consideration other than cash, during the year of five years immediately preceding the reporting date.

Shares reserved for issue under options

For details of shares reserved for issue under the Share based payment plan of the company, please Refer Note 33

Details of shares held by promoters as at 31st March 2023

S No.	Promoter's Name	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	% of total shares	% Change during the year*
1	Hindustan Commercial Company Limited	29,44,737	-	29,44,737	3.08%	0.00%
2	Gems Commercial Company Limited	29,40,207	-	29,40,207	3.08%	0.00%
3	Banjax Limited	27,89,700	-	27,89,700	2.92%	0.00%
4	Hexabond Limited	27,18,200	-	27,18,200	2.84%	0.00%
5	Oval Investment Pvt.Ltd.	25,88,848	-	25,88,848	2.71%	0.00%
6	Lhonak Enternational Private Limited	13,65,599	-	13,65,599	1.43%	0.00%

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

S No.	Promoter's Name	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	% of total shares	% Change during the year*
7	Anurag Dalmia Huf	5,72,774	12,350	5,85,124	0.61%	0.01%
8	Carissa Investment Private Limited	4,81,752	-	4,81,752	0.50%	0.00%
9	Harvatex Engineering and Processing Company Limited	4,15,723	-	4,15,723	0.43%	0.00%
10	Wgf Financial Services Limited	3,78,807	-	3,78,807	0.40%	0.00%
11	Anurag Trading Leasing and Investment Company Private Limited	2,87,200	-	2,87,200	0.30%	0.00%
12	Dalmia Finance Limited	2,00,244	-	2,00,244	0.21%	0.00%
13	Archana Trading And Investment Company Private Limited	1,32,848	-	1,32,848	0.14%	0.00%
14	Anurag Dalmia	1,10,000	10,225	1,20,225	0.13%	0.01%
15	Neelabh Dalmia	1,04,500	5,150	1,09,650	0.11%	0.01%
16	Bharatpur Investment Limited	38,842	-	38,842	0.04%	0.00%
17	Sanjay Trading Investment Company Private Limited	29,100	-	29,100	0.03%	0.00%
18	General Exports And Credits Limited	17,000	-	17,000	0.02%	0.00%
19	Golden Tobacco Limited	16,578	-	16,578	0.02%	0.00%
20	Pashupatinath Commercial Private Limited	15,000	-	15,000	0.02%	0.00%
21	Sovereign Commercial Private Limited	6,000	-	6,000	0.01%	0.00%
22	Dalmia Housing Finance Limited	5,707	-	5,707	0.01%	0.00%
23	Trishul Commercial Private Limited	5,100	-	5,100	0.01%	0.00%
24	Swastik Commercial Private Limited	3,700	-	3,700	0.00%	0.00%
25	Alankar Commercial Private Limited	2,600	-	2,600	0.00%	0.00%
26	Ricklunsford Trade And Industrial Investment Limited	1,960	-	1,960	0.00%	0.00%
27	Chirawa Investment Limited	1,860	-	1,860	0.00%	0.00%
28	Mourya Finance Limited	1,860	-	1,860	0.00%	0.00%
29	Lakshmi Vishnu Investment Limited	1,860	-	1,860	0.00%	0.00%
30	Sikar Investment Company Limited	1,800	-	1,800	0.00%	0.00%
31	Antarctica Investment Private Limited	768	-	768	0.00%	0.00%
32	Comosum Investment Private Limited	701	-	701	0.00%	0.00%
33	Lovely Investment Private Limited	645	-	645	0.00%	0.00%
34	Altar Investment Private Limited	318	-	318	0.00%	0.00%
35	Ilac Investment Private Limited	217	-	217	0.00%	0.00%
36	Dear Investment Private Limited	55	-	55	0.00%	0.00%
	Total	**1,81,82,810**	**27,725**	**1,82,10,535**	**19.05%**	**0.03%**

*Change during the year on account of shares issued pursuent to exercise of employee stock option by the employees

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

Details of shares held by promoters as at 31st March 2022

S No.	Promoter's name	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	% of total shares	% Change during the year*
1	Hindustan Commercial Company Limited	29,44,737	-	29,44,737	3.09%	0.01%
2	Gems Commercial Company Limited	29,40,207	-	29,40,207	3.08%	0.01%
3	Banjax Limited	27,89,700	-	27,89,700	2.93%	0.01%
4	Hexabond Limited	27,18,200	-	27,18,200	2.85%	0.01%
5	Oval Investment Private Limited	25,88,848	-	25,88,848	2.72%	0.01%
6	Lhonak Enternational Private Limited	13,65,599	-	13,65,599	1.43%	0.01%
7	Anurag Dalmia Huf	5,72,774	-	5,72,774	0.60%	0.00%
8	Carissa Investment Private Limited	4,81,752	-	4,81,752	0.51%	0.00%
9	Harvatex Engineering and Processing Company Limited	4,15,723	-	4,15,723	0.44%	0.00%
10	Wgf Financial Services Limited	3,78,807	-	3,78,807	0.40%	0.00%
11	Anurag Trading Leasing And Investment Companyprivate Limited	2,87,200	-	2,87,200	0.30%	0.00%
12	Dalmia Finance Limited	2,00,244	-	2,00,244	0.21%	0.00%
13	Archana Trading and Investment Company Private Limited	1,32,848	-	1,32,848	0.14%	0.00%
14	Anurag Dalmia	1,00,000	10,000	1,10,000	0.12%	-0.01%
15	Neelabh Dalmia	69,500	35,000	1,04,500	0.11%	-0.04%
16	Bharatpur Investment Limited	38,842	-	38,842	0.04%	0.00%
17	Sanjay Trading Investment Company Private Limited	29,100	-	29,100	0.03%	0.00%
18	General Exports And Credits Limited	17,000	-	17,000	0.02%	0.00%
19	Golden Tobacco Limited	16,578	-	16,578	0.02%	0.00%
20	Pashupatinath Commercial Private Limited	15,000	-	15,000	0.02%	0.00%
21	Sovereign Commercial Private Limited	6,000	-	6,000	0.01%	0.00%
22	Dalmia Housing Finance Limited	5,707	-	5,707	0.01%	0.00%
23	Trishul Commercial Private Limited	5,100	-	5,100	0.01%	0.00%
24	Swastik Commercial Private Limited	3,700	-	3,700	0.00%	0.00%
25	Alankar Commercial Private Limited	2,600	-	2,600	0.00%	0.00%
26	Ricklunsford Trade And Industrial Investment Limited	1,960	-	1,960	0.00%	0.00%
27	Chirawa Investment Limited	1,860	-	1,860	0.00%	0.00%
28	Mourya Finance Limited	1,860	-	1,860	0.00%	0.00%
29	Lakshmi Vishnu Investment Limited	1,860	-	1,860	0.00%	0.00%
30	Sikar Investment Company Limited	1,800	-	1,800	0.00%	0.00%
31	Antarctica Investment Private Limited	768	-	768	0.00%	0.00%
32	Comosum Investment Private Limited	701	-	701	0.00%	0.00%
33	Lovely Investment Private Limited	645	-	645	0.00%	0.00%
34	Altar Investment Private Limited	318	-	318	0.00%	0.00%
35	Ilac Investment Private Limited	217	-	217	0.00%	0.00%
36	Dear Investment Private Limited	55	-	55	0.00%	0.00%
37	Ram Krishna Dalmia Foundation	1,45,000	(1,45,000)	-	0.00%	0.15%
	Total	**1,82,82,810**	**(1,00,000)**	**1,81,82,810**	**19.07%**	**0.17%**

*Change during the year is on account of shares issued pursuant to exercise of employee stock option by the employees.

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15. Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve (Note 15A)	7.57	7.57
Business development reserve (Note 15B)	-	-
Capital redemption reserve (Note 15C)	16.36	16.36
Securities premium (Note 15D)	18.27	10.69
Retained earnings (Note 15E)	3,791.35	2,793.13
Share based payment reserve (Note 15F)	14.52	5.48
Treasury shares (Refer note 15G)	(5.35)	-
General reserve (Note 15H)	5.45	5.45
FVTOCI reserve (Note 15I)	12.92	13.61
Foreign currency translation reserve (Note 15J)	(0.89)	(0.33)
Total	**3,860.18**	**2,851.95**

Notes:

15A. Capital reserve

Particulars	Amount
As at April 01, 2021	7.57
Changes during the year	-
As at March 31, 2022	**7.57**
Changes during the year	-
As at March 31, 2023	**7.57**

The parent had recognised cash subsidy received from government on account of its operations, surplus on re-issue of forfeited shares and forfeiture of preferential warrants under capital reserve in earlier years.

15B. Business development reserve

Particulars	Amount
As at April 01, 2021	73.89
Adjustment on account of restatement (Refer note 48)	(73.89)
Restated balance as at April 01, 2021	-
Changes during the year	-
As at March 31, 2022	-
Changes during the year	-
As at March 31, 2023	**-**

In an earlier year, certain property, plant and equipment of the Company were revalued at their respective fair values as determined by Government approved competent valuer appointed by the Company. The amount of such revaluation was transferred to Business Development Reserve, as per Scheme of Arrangement as approved by Hon'ble Gujarat High Court on November 30, 2008. The said reserve has been utilised for creation of deferred tax liabilities on the revaluation of property, plant and equipment during the current year (Refer note 49A).

Notes to the Consolidated Financial Statements

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(INR in crores)

15C. Capital redemption reserve

Particulars	Amount
As at April 01, 2021	16.36
Changes during the year	-
As at March 31, 2022	**16.36**
Changes during the year	-
As at March 31, 2023	**16.36**

In earlier years, an amount of INR 16.36 crores (equivalent to nominal value of the equity shares bought back and cancelled by the Company) has been transferred to Capital Redemption Reserve from General Reserves pursuant to the provisions of Section 69 of the Companies Act, 2013 and the Article 7 of the Article of Association of the Company.

15D. Securities premium

Particulars	Amount
As at April 01, 2021	-
Changes during the year - on account of shares issued pursuant to exercise of employee stock option by the employees	10.69
As at March 31, 2022	**10.69**
Changes during the year - on account of shares issued pursuant to exercise of employee stock option by the employees	7.58
As at March 31, 2023	**18.27**

During the previous year, the Parent Company had issued 3,37,500 equity shares of INR 10 each under ESOS Scheme. The excess of aggregate consideration received over the face value of shares amounting to INR 10.69 crores is credited to Securities premium. Further, during the current year, the Company has issued 2,35,000 equity shares of INR 10 each under ESOS Scheme. The excess of aggregate consideration received over the face value of shares amounting to INR 7.58 crores is credited to Securities premium.

15E. Retained earnings

Particulars	Amount
As at April 01, 2021	2262.73
Adjustment on account of restatements (Refer Note 48)	(67.71)
As at April 01, 2021 (Restated)	**2195.02**
Changes during the year - Profit for the year	650.05
Changes during the year - Dividend paid during the year	(52.27)
Changes during the year - Other comprehensive income	0.33
As at March 31, 2022	**2793.13**
Changes during the year - Profit for the year	1141.57
Changes during the year - Dividend paid during the year*	(142.68)
Changes during the year - Other comprehensive income	(2.92)
As at March 31, 2023	**3791.35**

Retained earnings are the profit/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement gain / (loss) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss..

* Net of dividend paid on Treasury shares acquired by GHCL Employees Stock Option Trust.

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15F. Share based payment reserve

Particulars	Amount
As at April 01, 2021	11.43
Reserve created during the year	(5.95)
As at March 31, 2022	**5.48**
Reserve created during the year	9.04
As at March 31, 2023	**14.52**

The Company has share option scheme under which options to subscribe for the Company's shares have been granted to certain executives and senior employees..

The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer Note 33 for further details of these plans.

15G. Treasury shares

Particulars	Amount
As at April 01, 2021	-
Changes during the year	-
As at March 31, 2022	-
Changes during the year	(5.35)
As at March 31, 2023	**(5.35)**

This reserve represents own equity shares held by GHCL Employees Stock Option Trust

15H. General reserve

Particulars	Amount
As at April 01, 2021	5.45
Changes during the year	-
As at March 31, 2022	**5.45**
Changes during the year	-
As at March 31, 2023	**5.45**

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013..

Notes to the Consolidated Financial Statements

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(INR in crores)

15I. FVTOCI reserve

Particulars	Amount
As at April 01, 2021	12.29
Changes during the year	1.32
As at March 31, 2022	**13.61**
Changes during the year	(0.69)
As at March 31, 2023	**12.92**

The Parent Company recognises the profit or loss on fair value of investments under fair value through other comprehensive income (FVTOCI) reserve.

15J Foreign currency translation reserve

Particulars	Amount
As at April 01, 2021	(0.47)
Changes during the year	0.14
As at March 31, 2022	(0.33)
Changes during the year	(0.56)
As at March 31, 2023	**(0.89)**

The company recognises the profit or loss on fair value of investments under fair value through other comprehensive income (FVTOCI) reserve.

Grand Total (15) as on March 2021	**2,389.24**
Grand Total (15) as on March 2021 (Restated)	**2,247.64**
Grand Total (15) as on March 2022	**2,851.94**
Grand Total (15) as on March 2023	**3,860.18**

Distributions made and proposed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2022: INR 15.00 per equity share (including INR 5.00 per equity share as a special dividend) (March 31, 2021: INR 5.50 per equity share) *	142.68	52.27
	142.68	**52.27**

* Net of dividend paid on Treasury shares of INR 0.70 crores acquired by GHCL Employees Stock Option Trust

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Proposed dividends on equity shares:		
Proposed dividend for the year ended on March 31, 2023: INR 17.50 per equity share (March 31, 2022: INR 15.00 per equity share (including INR 5.00 per equity share as a special dividend)**	166.46	143.03
	166.46	**143.03**

** Net of dividend proposed on Treasury shares of INR 0.82 crores acquired by GHCL Employees Stock Option Trust

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability as at year end

Notes to the Consolidated Financial Statements

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(INR in crores)

16. Borrowings

16A. Non-current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Term loans		
From banks		
Rupee term loans (secured)	242.62	415.64
Foreign currency loans (secured)	-	8.96
Total non-current borrowings	**242.62**	**424.60**
Current borrowings		
Short term loans from banks	-	196.03
Interest Accrued but not due on borrowings	1.48	2.02
Short term loans from banks	-	10.00
Current maturities of long term loan		
-Rupee term loans (secured)	103.42	130.81
-Foreign currency loans (secured)	-	3.99
Total current borrowings	**104.90**	**342.85**
Total	**347.52**	**757.46**
Aggregate secured loans	-	-
Aggregate unsecured loans	-	10.00

16.1 Term loans from Banks / institutions have been secured against: -

a) Loan aggregating to INR 3.81 crores (March 31, 2022 INR 12.83 crores) is secured by exclusive charge on the specific fixed assets created out of the proceeds of the loan for Company's Soda Ash Division situated at village Sutrapada, Veraval in Gujarat. The said loan carries interest rate ranging from 7.50% to 8.65%. The said loan is repayable in 3 installments till December 2023..

b) Loan aggregating to INR 342.23 crores (March 31, 2022 INR 441.42 crores) is secured by way of first pari passu charge on movable fixed assets of Soda Ash Division situated at village Sutrapada, Veraval, Gujarat excluding assets exclusively charged to other lenders both present and future. The said loans carries interest rates ranging from 6.60% to 8.65%. The remaining tenure of the loans is 2 to 6 yeaINR.

c) Loan aggregating to INR 69.62 crores (March 31, 2022 INR 92.21 crores) is secured by exclusive charge on the specific fixed assets created out of the proceeds of the loan for Company's Textile Division situated at Madurai, Tamil Nadu. The remaining tenure of the loans is 2 to 5 year. The said loan carries interest rate ranging from 7.25% to 8.80%. The said loan has been disclosed as Discountinued Operations of Spinning Division and is not included in above table (Refer Note 45).

d) Loan aggregating to INR 8.97 crores (March 31, 2022 12.95 crores) is secured by an exclusive first charge over movable fixed assets pertaining to Windmill Project situated at Tirunelveli District, Tamilnadu, both present and future, created out of the proceeds of the loan. The said loan carries interest rate ranging from 3.21% to 7.01% (excluding forward premium). The remaining tenure of the loan is 2 year. The said loan has been disclosed as Discountinued Operations of Spinning Division and is not included in above table (Refer Note 45))

e) Out of all the aforesaid secured Loans appearing in Note 16 (1) (a) to 16 (1) (b) totaling INR 346.04 crores (March 31, 2022 INR 559.40 crores), an amount of INR 103.42 crores (March 31, 2022 INR 134.80 crores) is due for payment in next 12 months and accordingly reported under Note 16(b) under the head "Short term borrowings" as "current maturities of Long Term Borrowings"

Notes to the Consolidated Financial Statements

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(INR in crores)

16B.Current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Short term loans from banks (secured)		
Interest accrue but not due on borrowings	1.48	2.02
Working capital demand loan	-	195.00
Sales bill discounting	-	1.03
Secured short term borrowings	**1.48**	**198.05**
Current maturities of long term borrowings	103.42	134.80
Total secured short term borrowing	**104.90**	**332.85**
Short term loans from banks - (unsecured)		
Short term loan	-	10.00
Total unsecured short term borrowing	-	10.00
Total	**104.90**	**342.85**

16.2 Short term borrowings: This facility is secured by way of hypothecation on inventory and trade receivables and borrowed as under:

(a) Credit Facilities in Indian Rupees: The facilities availed by way of cash credit and working capital demand loan were repayable on demand and carried an average interest rate of 4.90% p.a on the amount outstanding.

(b) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

16.3 The Company has satisfied all the loan covenants

16.4 As at March 31 2023, the Group had available INR 300 crores (As at March 31 2022: INR 242 crores) of undrawn committed borrowing facilities. Further, the Group also has undrawn committed borrowing facilities of INR 300 crores in respect of its Discountinued Spinning Division disclosed as Discountinued Operation (Refer Note 45)

17. Provisions

17A. Long term provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Mines restoration*	5.77	7.62
Total	**5.77**	**7.62**

* The Company provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the year of estimated mineral reserves and a provision is made based on minerals extracted during the year. The total estimate of restoration expenses is reviewed yearly, on the basis of technical estimates..

Notes to the Consolidated Financial Statements

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(INR in crores)

Movement of provisions

Particulars	As at March 31, 2023	As at March 31, 2022
At the beginning of the year	7.62	3.02
Arising during the year	0.60	7.17
Utilised	(2.45)	(2.57)
At the end of the year	**5.77**	**7.62**

17B. Short term provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for compensated absences	12.06	11.91
Total	**12.06**	**11.91**

18. Trade Payables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 18B for details of dues to micro and small enterprises)	36.91	41.67
- Total outstanding dues of creditors other than micro enterprises and small enterprises	192.66	301.17
	229.57	**342.84**
Trade payables to others	225.57	339.65
Trade payables to Related parties	4.00	3.19
	229.57	**342.84**

18A. Trade Payables Ageing Schedule :

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	36.91	-	-	-	-	36.91
Total outstanding dues of creditors other than micro enterprises and small enterprises	94.16	70.93	24.78	2.69	0.03	0.07	192.66
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-

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as at and for the year ended March 31, 2023

(INR in crores)

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total	**94.16**	**107.83**	**24.78**	**2.69**	**0.03**	**0.07**	**229.57**

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	41.67	-	-	-	-	41.67
Total outstanding dues of creditors other than micro enterprises and small enterprises	78.64	125.94	87.31	4.48	2.03	2.77	301.17
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**78.64**	**167.61**	**87.31**	**4.48**	**2.03**	**2.77**	**342.84**

18B. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 :

Particulars	As at March 31, 2023	As at March 31, 2022
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	36.91	41.67
- Interest due on above	-	-
ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
- Principal	-	25.14
- Interest	0.00	0.45

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(INR in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

19. Financial Liabilities

19A Derivative instruments

Particulars	As at March 31, 2023	As at March 31, 2022
Derivative instruments at fair value through profit or loss		
Derivatives not designated as hedges		
Foreign exchange forward contracts	3.58	1.46
Total derivative instruments	**3.58**	**1.46**

While the Group entered into foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected sales and purchases, these other contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

19B Other financial liabilities Current

Particulars	As at March 31, 2023	As at March 31, 2022
Dealer deposits *	5.20	5.02
Security deposits	0.93	0.95
Capital creditors	14.05	28.11
Unpaid dividend	5.14	4.52
Interest accrued	-	0.11
Others**	0.50	300.70

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as at and for the year ended March 31, 2023
(INR in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
	25.82	**339.41**

* Dealer deposits for Soda Ash division are interest bearing. Interest payable is normally settled annually.

**Previous year's figure includes amount received from M/s Indo Count Industries Limited of INR 300 crores on account of the sale of the Vapi division, Refer Note 45

20. Other Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues	34.71	43.92
Others	-	1.40
Total other liabilities	**34.71**	**45.32**

21. Revenue from operations - Revenue from contracts with customers

1) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	As at March 31, 2023	As at March 31, 2022
Type of goods or service		
Sale of manufactured products		
- Soda Ash	4,171.41	2,820.01
- Consumer Products	28.55	15.44
Sale of traded products		
- Consumer Products	29.57	24.31
- Soda Ash	315.89	192.38
Total revenue from contracts with customers	**4,545.42**	**3,052.14**
India	4,362.55	2,898.94
Outside India	182.87	153.20
Total revenue from contracts with customers	**4,545.42**	**3,052.14**
Timing of revenue recognition		
Goods transferred at a point in time	4,545.42	3,052.14
Total revenue from contracts with customers	**4,545.42**	**3,052.14**

2) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables *	218.41	273.66

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023
(INR in crores)

Particulars	As at March 31, 2023	As at March 31, 2022
Contract liabilities		
- Advances from customers**	2.68	7.08

* Trade receivables are non-interest bearing and are generally on terms of 15 to 60 days

** Advances from customers relate to payments received in advance of performance under the contract. Advances from customers are recognized as revenue as (or when) the Company performs under the contract.

3) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue as per contracted price	4,685.93	3,203.85
Adjustments :		
Sales return	(4.99)	-
Rebates	0.62	0.39
Discounts	(136.14)	(152.10)
Revenue from contract with customers	**4,545.42**	**3,052.14**

4) The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2023 are, as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from customers	2.68	7.08
	2.68	**7.08**

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting year will be recognised as revenue during the next financial year.

22. Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest income from financial assets measured at amortised cost		

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as at and for the year ended March 31, 2023

(INR in crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
- from Bank deposits	1.89	0.39
(b) Others		
Dividend income	0.13	0.05
Gain on foreign exchange (net)	0.86	-
Profit on sale of current investments	11.89	0.51
Fair value gain on investments at FVTPL	4.86	-
Insurance claims received	10.90	-
Rental Income	-	1.32
Sale of scrap	5.47	5.97
Miscellaneous income	3.11	1.72
	39.11	**9.96**

23. Cost of raw materials consumed (Refer Note 42)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory at the beginning of the year	333.74	158.67
Add: Purchases	1,405.21	1,125.61
	1,738.95	**1,284.28**
Less: Inventory at the end of the year (net of inventory amounting to Nil (March 31, 2022: INR 225.95 crores pertaining to discontinued operations)	(457.04)	(333.74)
	1,281.91	**950.54**

24. (Increase)/decrease in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock		
Finished Goods	96.81	172.80
Adjustment on account of discontinued operations - Finished Goods	(30.96)	(86.09)
Work in progress	27.92	62.96
Adjustment on account of discontinued operations - work in progress	(22.21)	(58.83)
Stock-in-trade	54.33	22.32
	125.89	**113.16**
Closing stock		
Finished Goods	97.28	96.81

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as at and for the year ended March 31, 2023

(INR in crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Adjustment on account of discontinued operations - Finished Goods	-	(30.96)
Work in progress	7.21	27.92
Adjustment on account of discontinued operations - work in progress	-	(22.21)
Stock-in-trade	33.57	54.33
	138.06	**125.89**
(Increase) in inventories of Finished Goods, Stock-in-trade and Work-in-progress	**(12.18)**	**(12.73)**

25. Employee benefit expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	109.76	97.38
Contribution to provident and other funds	6.19	5.98
Share based payment expenses (Refer Note 33)	12.34	0.04
Gratuity expenses (Refer Note 32)	2.66	2.34
Staff welfare expenses	3.12	2.62
	134.07	**108.36**

26. Depreciation and amortization expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of tangible assets (Refer Note 3)	90.94	82.66
Amortization of intangible assets (Refer Note 4)	1.38	2.77
Depreciation of Right-of-use assets (Refer Note 34)	1.90	1.49
	94.22	**86.92**

27. Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Interest expenses :		
Interest on borrowings	31.02	37.13
(Net of TUF interest subsidy amounting to INR Nil (March 31, 2022 INR 2.12 crores)		-
Exchange differences regarded as an adjustment to borrowing costs	-	3.66
Interest on others	1.59	0.38
Interest on lease liabilities (Refer Note 34)	1.37	1.41
Interest on Income Tax	0.45	3.98
b) Other Borrowing Costs		
Bank charges	4.24	4.78

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(INR in crores)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	38.67	**51.34**

28. Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of stores and spares	42.30	47.29
Loss due to flood	-	4.40
Other manufacturing expenses	37.06	33.03
Packing expenses	49.61	45.61
Bad debts - written off	0.01	0.33
Freight and forwarding charges	230.22	247.59
Commission on sales	2.63	3.07
Travelling and conveyance	8.14	5.28
Rent	2.65	2.87
Repairs and maintenance :		-
Plant and machinery	18.67	17.36
Buildings	1.31	1.08
Others	6.86	8.31
Rates and taxes	0.64	0.81
Insurance	16.87	13.70
Loss on sales/discard of property, plant and equipment and assets held for sales (net)	16.22	3.41
Commission to non whole time directors	4.44	3.54
Communication expenses	1.36	0.83
Legal and professional expenses	11.57	16.69
Donation	0.06	0.01
Donation to political parties	5.50	-
CSR expenditure (refer details below)	12.31	9.85
Loss on exchange (net)	-	1.03
Miscellaneous expenses	14.43	10.89
	482.86	**476.98**

28A.Payment to Auditors :

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
To Statutory auditor:		
Audit fee	0.57	0.57
Limited reviews	0.75	0.75
In other capacity		
Other services (certification fees)	0.18	0.33
Reimbursements of expenses	0.05	0.02
	1.55	**1.67**
To Cost Auditor :		

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Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Audit fee	0.03	0.03
Out of pocket expenses	0.00	0.00
	0.03	**0.03**

28B.Details of CSR expenditure:

	Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
a	Gross amount required to be spent by the Company during the year		11.76	9.79
b	Amount approved by the Board to be spent during the year		12.01	9.83
c	**Amount spent during the year ending on 31st March, 2023:**	**In cash**	**Yet to be paid in cash**	**Total**
	i) Construction / acquisition of any asset	-	-	-
	ii) On purpose other than (i) above	12.31	-	12.31
d	**Amount spent during the year ending on 31st March, 2022:**	**In cash**	**Yet to be paid in cash**	**Total**
	i) Construction / acquisition of any asset	0.00	-	0.00
	ii) On purpose other than (i) above	9.85	-	9.85
e	Details related to spent / unspent obligations:			
	i) Contribution to Public Trust		-	-
	ii) Contribution to Charitable Trust		12.31	9.85
	iii) Unspent amount in relation to:			
	- Ongoing project		-	-
	- Other than ongoing project		-	-

29. Components of Other comprehensive income (OCI)

Particulars	FVTOCI reserve	Retained earnings	Total
The disaggregation of changes to OCI by each type of reserve in equity is shown below:			
During the year ended March 31, 2023			
Re-measurement gain/(loss) on defined benefit plan (net of tax)	-	(3.40)	(3.40)
Re-measurement gain/(loss) on investment in equity (net of tax)	(0.21)	-	(0.21)
Exchange differences on translation of foreign operations	(0.56)	-	(0.56)
	(0.77)	**(3.40)**	**(4.17)**
During the year ended March 31, 2022			
Re-measurement gain/(loss) on defined benefit plan (net of tax)	-	0.33	0.33
Re-measurement gain/(loss) on investment in equity (net of tax)	1.32	-	1.32
Exchange differences on translation of foreign operations	0.14	-	0.14
Total	**1.46**	**0.33**	**1.79**

30 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Parent by weighted average number of equity shares outstanding during the year.

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Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in computation of Basic EPS:	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Profit attributable to the equity holders of the Company from :		
- Continuing operations	1,115.80	445.95
- Discontinued operation	25.77	204.10
Profit attributable to equity holders of the parent for basic earnings (C=(A)+(B))	**1,141.57**	**650.05**
Weighted average number of equity shares for basic EPS*	9,50,81,527	9,52,53,697
Basic earnings per share (Face value of INR 10/- per equity share)		
- Continuing operations	117.35	46.82
- Discontinued operation	2.71	21.42
The following reflects the income and share data used in computation of Diluted EPS :		
Profit attributable to the equity holders of the Company from		
- Continuing operations (A)	1,115.80	445.95
- Discontinued operation (B)	25.77	204.10
Profit attributable to equity holders of the parent adjusted for the effect of dilution(C=(A)+(B))	**1,141.57**	**650.05**
Weighted average number of equity shares and common equivalent shares outstanding for computing Diluted EPS*	9,50,81,527	9,55,45,654
Diluted earnings per equity share - (face value of INR 10/- per equity share)		
- Continuing operations	117.35	46.67
- Discontinued operation	2.71	21.35
Weighted average number of Equity shares adjusted for the effect of dilution		
Weighted average number of equity shares for Basic EPS	9,50,81,527	9,52,53,697
Effect of dilution:		
Employee Share Option Scheme	(62,410)	2,91,957
Weighted average number of equity shares and considered**	**9,50,19,117**	**9,55,45,654**

*net of treasury shares as at March 31, 2023

**The effect of dilution on weighted average number of equity shares is anti dilutive (refer below details). Therefore, weighted average number of equity shares considered for Basic EPS and Diluted EPS are same.

31 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures and disclosure of contingent liabilities. Uncertainty about the assumptions and estimates could result in outcomes that require a material adjustment to the carrying value of assets or liabilities affected in future periods.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Financial risk management objectives and policies in Note 40
- Sensitivity analyses disclosures in Note 32 and Note 40

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Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes

(i) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have significant effect on the amounts recognised in the Standalone's financial statements:

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable year of a lease, together with both years covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and years covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable year of a lease.

Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform the irrespective obligations under the contract, and the contract is legally enforceable.

The Company's contracts with customers could include promises to transfer multiple product. The Group assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascertain the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, cash discount, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting year. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss.

Assessment of equity instruments

The Group has designated investments in equity instruments as FVTOCI investments since the Group expects to hold these investment with no intention to

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sale. The difference between the instrument's fair value and Indian GAAP carrying amount has been recognized in retained earnings.

(ii) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(iii) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to impairment assessment of Property plant and equipment.

(iv) Share-based payments

For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Group uses a Black-Scholes model for Employee Share Option Plan (ESOP). The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 33.

(v) Useful lives of Property, plant and equipment

The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset. The Group reviews the useful life of Property, plant and equipment at the end of each reporting date

(vi) Post-retirement benefit plans

Employee benefit obligations (gratuity obligation) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about gratuity obligations are given in Note 32..

(vii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 41 for further disclosures.

(viii)Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the

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terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

(ix) Judgements, estimates and assumptions for Discontinued operations

a) Pursuant to the terms of the BTA, certain assets pertaining to Home Textile Business and Spinning Division are pass through in nature (i.e. the beneficial ownership of these assumed assets continued to be with the Company) such as export incentives receivable, claims receivables which would be transferred immediately to the Company by the Purchaser whenever received post-closing date. Consequently, such receivables have been retained by the Company and is forming part of the continuing operations

b) Contingent liabilities of the Home Textile business and Spinning Business have been reported on the basis of list of assumed litigations read with excluded liabilities as per the terms specified in the BTA subject to the amendments and substitution vide Supplemental BTA..

32 Defined benefit and contribution plan

Defined contribution plan

The Group makes contributions towards provident fund and superannuation fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. Contribution paid for provident fund and superannuation fund are recognised as expense for the year:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Employer's contribution to provident fund/pension scheme	4.55	4.35
Employer's contribution to superannuation fund	1.16	1.19
(excluding INR 3.23 crores (March 31, 2022 INR 5.66 Crores) pertaining to Discontinued Operations)		

Defined benefit plan

Gratuity (funded)

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of the obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Employees who are in continuous service for a year of 5 years are eligible for gratuity. The amount of gratuity payable to an employee upon leaving the Group is the 50% of Fixed cost to Group per month computed proportionately for 15/26 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Group makes contributions to Gratuity Trust registered under Income Tax Act, 1961..

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The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2023. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method..

The plan assets are managed by the Gratuity Trust formed by the Group. The management of 100% of the funds is entrusted according to norms of Gratuity Trust, whose pattern of investment is available with the Group.

Changes in the defined benefit obligation and fair value of plan assets (in respect of gratuity fund) as at March 31, 2023

Particulars	Gratuity cost charged to profit and loss						Re-measurement (gains) / losses in other comprehensive income					
	As at April 01, 2022	Service cost	Net interest expense/ (Income)	Amount included in profit or loss -discontinued operations	included in profit or loss -Continued operations *"	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions/ Demographic Assumptions	Experience adjustment	Subtotal included in OCI	Contributions by employer	As at March 31, 2023
Defined benefit obligation	49.81	3.55	3.41	0.77	6.19	(13.00)		2.28	1.88	4.16	-	47.93
Fair value of plan assets	50.31		(3.44)		(3.44)	(8.17)	(0.26)			(0.26)	4.00	49.84
Benefit assets	**(0.50)**			**0.77**	**2.75**					**3.90**		**(1.92)**

* The Gratuity Cost charged to profit or loss amounting INR 0.09 crore (March 31, 2022 INR 0.14 crore) pertains to employees of captive production units and has been included in raw material and power & fuel costs as explained in Note No. 42

Changes in the defined benefit obligation and fair value of plan assets (in respect of gratuity fund) as at 31st March 2022:

Particulars	Service cost						Re-measurement (gains) / losses in other comprehensive income					
	As at April 01, 2021	Service cost	Net interest expense/ (Income)	Amount included in profit or loss -discontinued operations	included in profit or loss -Continued operations *"	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions/ Demographic Assumptions	Experience adjustment	Subtotal included in OCI	Contributions by employer	As at March 31, 2022
Defined benefit obligation	49.17	3.36	3.19	1.02	5.53	(5.67)		1.10	(1.34)	(0.24)	-	49.81
Fair value of plan assets	47.05		(3.05)		(3.05)	-	(0.21)			(0.21)	4.00	50.31
Total	**2.12**			**1.02**	**2.48**					**(0.45)**		**(0.50)**

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The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Insurance fund	49.84	50.31

Particulars	As at March 31, 2023	As at March 31, 2022
The principal assumptions used in determining gratuity are:		
Mortality table - LIC	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Discount rate	7.39%	6.84%
Estimated rate of return on plan assets	7.39%	6.84%
Estimated future salary growth	10.00%	8.00%
Rate of employee turnover	11.50%	11.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2023 is as shown below:

Assumptions	Employee turnover		Salary		Discount rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.28)	0.31	1.80	(1.66)	(1.68)	1.86

A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is as shown below:

Assumptions	Employee turnover		Salary		Discount rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(0.18)	0.19	1.81	(1.67)	(1.67)	1.85

The following payments are projected benefits payable in future years from the date of reporting from the fund:

Particulars	As at March 31, 2023	As at March 31, 2022
Within the next 12 months (next annual reporting year)	12.27	15.56
2nd Following Year	5.79	5.54
3rd Following Year	6.53	6.93
4th Following Year	6.21	5.35
5th Following Year	7.35	4.95
Sum of Years 6 to 10	13.95	14.03
Sum of Years 11 and above	16.39	15.84
Total expected payments	68.49	68.20

The average duration of the defined benefit plan obligation at the end of the reporting year is 5 years (March, 31 2022: 5 years).

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Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest rate Risk:	A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher proportion. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset
Salary Risk:	The present value of the defined benefit plan liability is calculated by reference to the future salaries of membeINR As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
Investment Risk:	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting year on Government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in Government securities, and other debt instruments.
Asset Liability Matching Risk:	The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM Risk.
Mortality Risk:	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not
Concentration Risk:	Plan is having a concentration risk all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow regulatory guidelines which mitigate risk.

33 Share based compensation

In accordance with the Securities and Exchange Board of India (share based employee benefits) Regulations, 2014 and the Guidance Note on accounting for 'Employees share-based payments, the Scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the parent company. To have an understanding of the Scheme, relevant disclosures are given below..

a) As approved by the shareholders at their Annual General Meeting held on 23rd July 2015, the parent company has got 50,00,000 number of Options under the Employee Stock Option Scheme "GHCL ESOS 2015". The following details show the actual status of ESOS granted during the financial year ended on March 31, 2023..

b) During the year 95,000 equity share options lapsed upon cessation of employment. .

The relevant details of the Scheme are as under

Particulars	Grant 3		Grant 5	Grant 6	
Date of Grant	24-Oct-2017	24-Oct-2017	25-Apr-2018	25-Apr-2018	25-Apr-2018
Date of Board approval	24-Oct-2017	24-Oct-2017	25-Apr-2018	25-Apr-2018	25-Apr-2018
Date of shareholder's approval	23-Jul-2015	23-Jul-2015	23-Jul-2015	23-Jul-2015	23-Jul-2015
Number of options granted	25,000	25,000	6,10,000	15,000	15,000
Method of settlement	Equity	Equity	Equity	Equity	Equity
Vesting year (see table below)					
Fair value on the date of grant (In Rs)	110.59	123.20	183.41	183.41	192.68

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Particulars	Grant 3		Grant 5	Grant 6	
Exercise year	5 Years	5 Years	5 Years	5 Years	5 Years
Vesting conditions	As per policy approved by Shareholders	As per policy approved by Shareholders	As per policy approved by Shareholders	As per policy approved by Shareholders	As per policy approved by Shareholders

Details of the vesting year are:

Vesting year from the Grant date	Grant 3		Grant 5	Grant 6	
On completion of 12 months	25,000	-	-	-	-
On completion of 24 months	-	25,000	-	-	-
On completion of 36 months	-	-	6,10,000	15,000	
On completion of 48 months			-	-	15,000

Particulars	Grant 7		Grant 8			Grant 9
Date of Grant	25-Apr-2018	25-Apr-2018	25-Apr-2018	25-Apr-2018	25-Apr-2018	30-Apr-2022
Date of Board approval	25-Apr-2018	25-Apr-2018	25-Apr-2018	25-Apr-2018	25-Apr-2018	30-Apr-2022
Date of shareholder's approval	23-Jul-2015	23-Jul-2015	23-Jul-2015	23-Jul-2015	23-Jul-2015	23-Jul-2015
Number of options granted	25,000	25,000	60,000	60,000	60,000	8,11,000
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity
Vesting year (see table below)						
Fair value on the date of grant (In Rs)	183.41	192.68	183.41	192.68	200.98	201.67
Exercise year	5 Years	5 Years	5 Years	5 Years	5 Years	5 Years
Vesting conditions	As per policy approved by Shareholders	As per policy approved by Shareholders	As per policy approved by Shareholders	As per policy approved by Shareholders	As per policy approved by Shareholders	As per policy approved by Shareholders

Details of the vesting year are:

Vesting year from the Grant date	Grant 7		Grant 8			Grant 9
On completion of 12 months						8,11,000
On completion of 36 months	25,000	-	60,000	-	-	-
On completion of 48 months	-	25,000	-	60,000	-	-

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Vesting year from the Grant date	Grant 7		Grant 8			Grant 9
On completion of 60 months	-	-	-	-	60,000	

Set out below is a summary of options granted under the plan:

	As at March 31, 2023		As at March 31, 2022	
	Total No. of Stock options	Weighted average exercise price	Total No. of Stock options	Weighted average exercise price
Options outstanding at beginning of year	3,05,000	150	6,67,500	150
Options granted during the year	8,11,000	574	-	-
Options forfeited/lapsed during the year	95,000	284	25,000	150
Options exercised during the year	2,35,000	150	3,37,500	150
Options expired during the year	-	-	-	-
Options outstanding at end of year	7,86,000	571	3,05,000	150
Options vested but not exercised during the year	5,000	170	7,500	170

The details of activity of the Scheme have been summarized below:-

Particulars	As at March 31, 2023					Total
	Grant 3		Grant 5	Grant 6		
	Number of options	Number of options	Number of options	Number of options	Number of options	Number of options
Outstanding at the beginning of the year	5,000	2,500	2,10,000	5,000	10,000	2,32,500
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	10,000	10,000
Exercised during the year	-	2,500	2,10,000	5,000	-	2,17,500
Expired during the year	-	-		-	-	-
Outstanding at the end of the year	5,000	-	-	-	-	5,000
Exercisable at the end of the year	5,000	-	-	-	-	5,000
Weighted average remaining contractual life (in years)	-	-	-	-	-	
Weighted average fair value of options granted during the year	110.59	123.20	183.41	183.41	192.68	

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Particulars	Grant 3		Grant 5	Grant 6	
Date of Grant	24-Oct-2017	24-Oct-2017	25-Apr-2018	25-Apr-2018	25-Apr-2018
Stock price at the date of Grant	251.05	251.05	286.5	286.5	286.5
Exercise price	170	170	150	150	150
Expected volatility	36.77	36.77	39.51%	39.51%	39.51%
Expected life of the option	2	3	4	4	5
Risk free interest rate %	6.762	6.762	7.647	7.647	7.647
Weighted average fair value as on grant date	110.59	123.20	183.41	183.41	192.68
Model Used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

Assumption of the model

Particulars	Grant 7		Grant 8			Grant 9	Total	Grand Total of ESOS
	Number of options	Number of options	Number of options	Number of options	Number of options	Number of options	Number of options	Number of options
Outstanding at the beginning of the year	7,500	15,000	10,000	20,000	20,000	-	72,500	3,05,000
Granted during the year		-	-	-	-	8,11,000	8,11,000	8,11,000
Forfeited during the year	-	15,000	-	20,000	20,000	30,000	85,000	95,000
Exercised during the year	7,500	-	10,000	-	-		17,500	2,35,000
Outstanding at the end of the year	-	-	-	-	-	7,81,000	7,81,000	7,86,000
Exercisable at the end of the year	-	-	-	-	-		-	5,000
Weighted average remaining contractual life (in years)	-	-	-	-	-	0.07		
Weighted average fair value of options granted during the year	183.41	192.68	183.41	192.68	200.98	201.67		

Particulars	Grant 7			Grant 8		Grant 9
Date of Grant	25-Apr-2018	25-Apr-2018	25-Apr-2018	25-Apr-2018	25-Apr-2018	30-Apr-2022
Stock price at the date of Grant	286.5	286.5	286.5	286.5	286.5	619.25
Exercise price	150	150	150	150	150	574
Expected volatility	39.51%	39.51%	39.51%	39.51%	39.51%	43.56%
Expected life of the option	4	5	4	5	6	2
Risk free interest rate (%)	7.647	7.647	7.647	7.647	7.647	6.680
Weighted average fair value as on grant date	183.41	192.68	183.41	192.68	200.98	201.67
Model Used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

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34 Leases

Company as a lessee

The Group has lease contracts for various items of Building and Salt works (fields taken on lease for salt production) in its operations. Leases of Building generally have lease terms between 1 and 9 years, while salt works generally have lease term of 30 yealNR Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are no major lease contracts that include extension and termination options and variable lease payments.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Leasehold building	Saltworks	Total
At 1st April 2021	5.23	6.93	12.16
Additions	7.70	-	7.70
Depreciation expense	(2.26)	(0.38)	(2.64)
Termination	(0.13)	-	(0.13)
As at March 31, 2022	10.54	6.55	17.09
Additions	1.05	-	1.05
Depreciation expense	(1.50)	(0.40)	(1.90)
Termination	(5.56)		(5.56)
As at March 31, 2023	**4.53**	**6.15**	**10.68**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	20.11	14.01
Additions	1.05	7.70
Accretion of interest	1.37	1.67
Payments	(8.69)	(3.23)
Termination	-	(0.04)
Balance at the end of the year	**13.84**	**20.11**
Current	1.35	2.21
Non-current	12.49	17.90

The maturity analysis of lease liabilities are disclosed in Note 40.
The effective interest rate for lease liabilities is 10%.
The following are the amounts recognised in statement of profit or loss

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation expense of right-of-use assets	1.90	1.49
Interest expense on lease liabilities	1.37	1.41
Expense relating to short-term leases *	2.65	2.87
Total amount recognised in profit or loss	**5.92**	**5.77**

*Expenses relating to short - term leases does not include figures from discontinued operations amounting INR 0.41 Crore (Previous

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Year INR 0.94 crore).

The Group had total cash outflows including discontinued operations for leases of INR 11.34 crores in March 31, 2023 (INR 6.10 crores in March 31, 2022). There are no non cash additions to right-of-use assets and lease liabilities. There are no future cash outflows relating to leases that have not yet commenced.

35 Commitments and contingencies

Particulars	As at March 31, 2023	As at March 31, 2022
a) Estimated value of contracts remaining to be executed on Capital Account and not provided for (excluding INR 188.25 crores pertaining to Discontinued Operations as at March 31, 2023)	89.06	293.67
b) Contingent liabilities :		
- Claims against the company not acknowledged as debt*		
- Income tax	12.31	12.78
- Sales tax / VAT	0.04	0.04
- Excise, Custom & Service Tax (excluding INR 0.03 crores pertaining to Discontinued Operations as at March 31, 2023)	131.87	127.36
- Unpaid labour dues (excluding INR 1.57 crores pertaining to Discontinued Operations) #	3.00	4.57
- Other claims (excluding INR 4.12 crores pertaining to Discontinued Operations) ##	11.76	17.93

* Cases pending before Appellate Authorities/Dispute Resolution Panel in respect of which the Company has filed appeals.

On the basis of current status of individual case for respective years and as per legal advice obtained by the Company, wherever applicable, the Company is confident of winning the above cases and is of the view that no provision is required in respect of above cases..

Government of India vide its notification dated March 29, 2020, issued under the National Disaster Management Act 2005, directed that all employers shall make full payment of wages, of their workers at their workplaces, for the period of closure under the lockdown. Subsequently on the petition filed by some of the employers against the aforementioned notification , the Hon'ble Supreme Court of India, passed an interim order dated June 12, 2020 and directed employers to enter into a negotiation and settlement with workers for wages payment during the lockdown period. The aforesaid notification also stands withdrawn w.e.f May 18, 2020. In the meanwhile, the Company had made payments to its workers and will do the final settlement if any as per the final order of the Hon'ble Supreme Court of India. If the Hon'ble Supreme Court upheld the notification of Government of India, the Company will have to pay further wages of INR 4.57 crores to the workers, whereas based on the management's assessment the chances of the same is remote.

##Claims under this heading relate to legal cases pending in different courts under the jurisdiction of Gujarat High Court and the courts subordinate to it. Some of the cases relates to execution of ex-parte foreign decrees which are not enforceable in India. Certain claims relate to contractor's workmen, whose services have been terminated by the concerned contractor and the matter is in between the contractor and their workmen and GHCL is made a party to the dispute only. Other cases relate to some ex-workmen who after opting VRS scheme duly approved by the regional Labour Officer challenged the same and this case is a week case since workmen have already lost one round of litigation till Hon'ble SC where directions were issued to deposit the entire amount received during VRS before initiating the legal proceedings. Apart from theses certain civil disputes are also pending which on merit are weak and GHCL has fair chances in winning these cases. Further, a matter relating to payment of water dues is under dispute with Water Dam Authorities

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Particulars	As at March 31, 2023	As at March 31, 2022
The aforesaid Appendix did not have an impact on the financial statements of the Company.		
(c) Guarantees:		
Corporate guarantee to Bank on behalf of erstwhile subsidiaries of the Company	3.06	3.00
(d) EPCG Commitment (Value of Exports) - The Company has contingency of INR 23.83 crores (pertaining to Discontinued Operations) against export obligations to the extent of INR 440.62 crores (as at March 31, 2022 INR 412.01 crores) on account of concessional rates of import duties paid on capital goods under the Export Promotion Capital Goods Scheme enacted by the Government of India which is to be fulfilled over the next six years. Due to the remote likelihood of the Company being unable to meet its export obligations, the Company does not anticipate a loss with respect to these obligations and hence has not made any provision in its financial statements.	-	33.74*

*For Discontinued Operation (Home Textile) EPCG commitment is INR 4.16 Crore

36 Related Party Transactions

a) The following table provides the list of related parties and total amount of transactions that have been entered into with related parties for the relevant financial yeaINR.

A) Key Managerial Personnel

Mr. R. S. Jalan, Managing Director

Mr. Raman Chopra, CFO & Executive Director - Finance

Mr. Neelabh Dalmia - Executive Director- Growth & Diversified Projects

Mr. Bhuwneshwar Mishra, Vice President - Sustainability & Company Secretary

B) Non-whole-time directors

Mr. Sanjay Dalmia - Non-Executive Chairman (Promoter)

Mr. Anurag Dalmia - Non-Executive Vice Chairman (Promoter)

Mrs. Vijaylaxmi Joshi - Non-Executive Independent Director

Dr. Lavanya Rastogi - Non-Executive Independent Director

Dr. Manoj Vaish - Non-Executive Independent Director

Mr. Arun Kumar Jain - Non-Executive Independent Director

Justice (Retd.) Ravindra Singh - Non-Executive Independent Director

C) Relative of key managerial personnel

Mrs. Sarita Jalan, w/o Mr. R. S. Jalan

Mrs. Bharti Chopra, w/o Mr. Raman Chopra

Mrs. Vandana Mishra, w/o Mr. Bhuwneshwar Mishra

E) Enterprises over which Key Managerial Personnel are able to exercise significant influence

GHCL Foundation Trust

GHCL Employees Group Gratuity Scheme

Gujarat Heavy Chemical Limited Superannuation Scheme

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b) Transactions with relative of Key Management Personnel

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Leasing & hire purchase transactions		
Mrs. Sarita Jalan, w/o Mr. R. S. Jalan	0.21	0.18
Mrs. Bharti Chopra, w/o Mr. Raman Chopra	0.15	0.12
Mrs. Vandana Mishra, w/o Mr. Bhuwneshwar Mishra	0.02	0.02

c) Transactions with enterprises over which significant influence exercised by directors

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net contribution		
GHCL Foundation Trust	12.31	9.85
Gujarat Heavy Chemical Limited Superannuation Scheme	1.24	1.34

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2023, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

d) Compensation of key management personnel of the Group

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Mr. R. S. Jalan#	14.88	15.19
Mr. Raman Chopra#	8.87	8.76
Mr. Neelabh Dalmia	2.57	2.52
Mr. Bhuwneshwar Mishra#	0.84	0.62
Total compensation paid to key management personnel	**27.16**	**27.09**

includes leasing and hire purchase transaction entered with their respective relatives as mentioned in (c) above.

e)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Short-term employee benefits	23.17	24.90
Post-employment gratuity and medical benefits	0.51	0.48
Share-based payment transactions*	3.48	1.71
Total compensation paid to Key Management Personnel	**27.16**	**27.09**

* Taxable component of ESOS

f) Loans recoverable from Key Management Personnel of the Company

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Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net payment/(receipt) of loans & advances		
Mr. Bhuwneshwar Mishra	0.02	(0.03)
Loans recoverable at the year end		
Mr. Bhuwneshwar Mishra	**0.11**	**0.09**

g) **Transactions with Non-whole-time directors**

	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Sitting Fees	Commission	Sitting Fees	Commission
Mr. Sanjay Dalmia	0.02	1.13	0.04	0.90
Mr. Anurag Dalmia	0.03	0.94	0.04	0.75
Dr. Manoj Vaish	0.05	0.49	0.06	0.39
Justice Ravindra Singh	0.04	0.47	0.06	0.38
Mrs. Vijaylaxmi Joshi	0.06	0.47	0.07	0.38
Mr. Arun Kumar Jain	0.04	0.47	0.06	0.38
Mr. Lavanya Rastogi	0.02	0.47	0.03	0.38
	0.26	**4.44**	**0.36**	**3.54**

h)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Trade payable		
Commission payable to Non-whole time directors (Net of TDS)	4.00	3.19

i) **Disclosure required under Sec 186(4) of the Companies Act 2013 (refer note 11A)**

Particulars	As at March 31, 2023	As at March 31, 2022
GHCL Employee Stock Option Trust	-	5.53

37 Segment information

The Group operated two segments i.e. Inorganic Chemicals and Textiles. Pursuant to the Scheme of Demerger (Refer Note 45), Company's Textiles segment which included Spinning Division has been disclosed as Discontinuing Operations. Accordingly, the Group's continuing operations pertain to one segment i.e. Inorganic Chemicals.

38 Hedging activities and derivatives

'The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk.

The Group's risk management strategy and how it is applied to manage risk are explained in Note 40.

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Derivatives not designated as hedging instruments

'The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally upto 4 months. These contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

Particulars	Currency	Unhedged Exposure* As at March 31, 2023		Unhedged Exposure As at March 31, 2022	
		Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
Trade Receivables					
	USD	0.38	31.46	1.19	90.52
	EUR	0.01	1.09	-	-
Current Liabilities					
	USD	0.04	3.37	0.07	5.45
	EUR	0.04	3.18	0.00	0.04
	CHF	0.03	3.13	0.07	5.79
	JPY	0.11	0.07		
	GBP	-	-	0.00	0.19
Non-Current Liabilities					
		0.07	5.61	0.12	9.46

* Includes unhedged exposure from Discountinued Operations.

39 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value March 31, 2023	Fair value March 31, 2023	Carrying value March 31, 2022	Fair value March 31, 2022
Financial assets measured at fair value				
Investments (Refer Note 5)	379.77	379.77	15.13	15.13
Financial assets measured at amortised cost				
Investments (Refer Note 5)	0.04	0.04	1.42	1.42
Loan to ESOS trust (refer note 11A)	-	-	5.53	5.53
Security deposits (refer note 6)	1.93	1.93	9.84	9.84
Loan to employees (refer note 6A & 11A)	1.68	1.68	2.01	2.01
Others (refer note 11B)	11.89	11.89	0.60	0.60
Financial liabilities at fair value				
Derivative instruments (refer note 19A)	3.58	3.58	1.46	1.46
Financial liabilities not measured at amortised cost				
Term loans (refer note 16)	346.04	346.04	559.40	559.40
Short term borrowings (refer note 16)	1.48	1.48	208.06	208.06

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The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, export incentives receivable, GST refund receivable, subvention receivable, others (Insurance Claim receivable) trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The other current financial liabilities represents Dealer deposits, Security deposits, Capital creditors, Unpaid dividend and Interest accrued on Bank deposits, the carrying value of which approximates the fair values as on the reporting date.

The following methods and assumptions were used to estimate the fair values:

i The fair value of the financial assets and liabilities is included at the amount at which the instrument is exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

ii The fair values of the FVTOCI financial assets are derived from quoted market prices in active markets..

39A The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023:

Particulars	Fair value measurement using				
	Date of valuation	Carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
FVTOCI financial investments					
Quoted equity shares (refer note 5)	March 31, 2023	14.93	14.93		
	March 31, 2022	15.13	15.13		
Unquoted equity shares (refer note 5)	March 31, 2023	-	-		-
	March 31, 2022	1.38	-		1.38
Unquoted debt securities (Refer Note 5)	March 31, 2023	0.04	-		0.04
	March 31, 2022	0.04	-		0.04
Financial assets measured at fair value through profit and loss					
Quoted mutual fund (refer note 5)	March 31, 2023	364.84	364.84		
	March 31, 2022	-	-		
Financial assets measured at amortised cost					
Security deposits (refer note 6)	March 31, 2023	1.93	-	1.93	
	March 31, 2022	9.84	-	9.84	
Loan to ESOS trust (refer note 11A)	March 31, 2023	-	-	-	
	March 31, 2022	5.53	-	5.53	
On escrow account (refer note 6)	March 31, 2023	14.34	-	14.34	
	March 31, 2022	12.08	-	12.08	
On account of margin money deposited (refer note 6)	March 31, 2023	-		-	
	March 31, 2022	0.15	-	0.15	
Loan to employees (refer note 6A & 11A)	March 31, 2023	1.68	-	1.68	

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Particulars	Fair value measurement using				
	Date of valuation	Carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	March 31, 2022	2.01	-	2.01	
Others (refer note 11C)	March 31, 2023	11.89	-	11.89	
	March 31, 2022	0.60	-	0.60	
Financial liability measured at fair value through profit and loss					
Derivative instruments (refer note 19A)	March 31, 2023	3.58	-	3.58	
	March 31, 2022	1.46	-	1.46	
Financial liabilities not measured at fair value					
Floating rate borrowings (India)	March 31, 2023	347.52	-	347.52	
	March 31, 2022	767.46	-	767.46	

There have been no transfers between Level 1 and Level 2 during the year.

Particulars	Fair value hierarchy	Valuation technique	Inputs used
FVTOCI financial investments			
Quoted equity shares	Level 1	Market valuation techniques	Prevailing rates in the active markets
Quoted mutual fund	Level 1	Market valuation techniques	Prevailing rates in the active markets
Unquoted equity shares	Level 3	Discounted cash flow	Long-term growth rate for cash flows for subsequent years, weighted average cost of capital, long-term operating margin, discount for lack of marketability
Unquoted debt securities	Level 3	Discounted cash flow	Long-term growth rate for cash flows for subsequent years, weighted average cost of capital, long-term operating margin, discount for lack of marketability
Financial assets measured at fair value through profit and loss			
Derivative instruments	Level 2	Market valuation techniques	Forward foreign currency exchange rates
Financial assets measured at amortised cost			
Security deposits Loan to subsidiary Loan to ESOS trust Loan to employees	Level 2	Amortised Cost	Prevailing interest rates in the market, Future payouts

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Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial liabilities measured at fair value			
Derivative instruments	Level 2	Market valuation techniques	Forward foreign currency exchange rates
Financial liabilities not measured at fair value			
Floating rate borrowings (India)	Level 2	Amortised Cost	Prevailing interest rates in the market, future payouts

40 Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, lease liabilities trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds FVTOCI & FVTPL investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Company's senior management is supported by a Banking and Operations committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by expert list teams that have the appropriate skills, experience and supervision. It is the Group's policy, that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include investments, loans and borrowings, deposits and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2023 and March 31, 2022. The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt are all constant.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Group is not exposed the significant interest rate as at a respective reporting date.

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Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Group's profit before tax is effected through the impact on floating rate borrowings, as follows:s

Particulars	Increase/decrease in basis points	Effect on PBT
March 31, 2023	+/(-).50%	'(-)/+ 1.74*
March 31, 2022	+/(-).50%	'(-)/+ 3.84

**Excludes INR 2.29 Crores pertaining to Discontinued Operations

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities. The Group manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12 month for hedges of forecasted sales and purchases in foreign currency. The hedging is done through foreign currency forward contracts.

Foreign currency sensitivity

Particulars	Change in USD rate	Effect on PBT
March 31, 2023	+/(-)1%	'(-)/+ 0.4

Particulars	Change in USD rate	Effect on PBT in Rs
March 31, 2022	+/(-)1%	'(-)/+ 1.05

Particulars	Change in GBP rate	Effect on PBT
March 31, 2023	+/(-)1%	'+/(-) 0.00

Particulars	Change in GBP rate	Effect on PBT
March 31, 2022	+/(-)1%	'+/(-) 0.00

Particulars	Change in CHF rate	Effect on PBT
March 31, 2023	+/(-)1%	'(-)/+ 0.03

Particulars	Change in CHF rate	Effect on PBT
March 31, 2022	+/(-)1%	'(-)/+ 0.06

Particulars	Change in EUR rate	Effect on PBT
March 31, 2023	+/(-)1%	'(-)/+ 0.04

Particulars	Change in EUR rate	Effect on PBT
March 31, 2022	+/(-)1%	'(-)/+ 0.00

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c) Equity price risk

The Group's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to unlisted equity securities at fair value was Nil as on March 31, 2023 excluding discontinued operations INR 1.23 crores (INR 1.38 crores as on March 31, 2022).

At the reporting date, the exposure to listed equity securities at fair value was INR 14.93 crore as on March 31, 2023 (INR 15.13 crores as on March 31, 2022). A decrease of 10% on the NSE/BSE market index could have an impact of approximately INR 1.49 crore on the OCI or equity attributable to the Company. An increase of 10% in the value of the listed securities would also impact OCI and equity. These changes would not have an effect on profit or loss.

Further, at reporting date, the Company has exposure to investments in mutual funds of INR 364.84 crores (Nil as on March 31, 2022). A decrease of 10% in the value of Mutual fund company.

d) Commodity risk

The Group is impacted by the price volatility of coal and cotton (cotton included in Discontinued Operations). Its operating activities require continuous manufacture of Soda Ash, and therefore require a regular supply of coal. Cotton is the key raw material for the Spinning Division. Due to the significant volatility of the price of coal and cotton in international market, the Group has entered into purchase contract for coal with its designated vendor(s). The price in the purchase contract is linked to the certain indices. The Group's commercial department has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

e) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with Banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on customer profiling, credit worthiness and market intelligence. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

An impairment analysis is performed at each reporting date on an individual basis for major customer In addition, a large number of minor receivables are categorized and assessed for impairment collectively. The calculation is based on exchange losses historical data. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Banking & Operations Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

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The Group's maximum exposure to credit risk for the components of the Balance sheet at March 31, 2023 and March 31, 2022 is the carrying amounts as given in Note 9 except for derivative financial instruments. The Company's maximum exposure relating to financial guarantees and financial derivative instruments is noted in note on commitments and contingencies and the liquidity table below.

Liquidity risk

Liquidity risk is the risk that the Group will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the Group to manage liquidity is to ensure, as far as possible, that it should have sufficient liquidity to meet its respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation. The Group also believes a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments excluding Discontinued operations :

As at March 31, 2023	On Demand	0 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	1.48	103.42	236.48	6.14	347.52
Trade payables	-	229.57	-	-	229.57
Lease Liablities	-	2.67	9.13	16.27	28.07
Other financial liabilities	10.34	14.54	0.93	-	25.81
	11.82	**350.20**	**246.54**	**22.41**	**630.97**

As at March 31, 2022	On Demand	0 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	208.05	135.83	388.29	35.28	767.45
Trade payables	-	342.84	-	-	342.84
Lease Liablities	-	2.21	9.62	8.28	20.11
Other financial liabilities	9.54	328.92	0.95	-	339.41
	217.59	**809.80**	**398.86**	**43.56**	**1,469.81**

41 Capital management (continuing operations)

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Company's capital management is to maximise the shareholder value..

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio of less than 75%. The Group includes within net debt, interest bearing loans and borrowings, lease liabilities, trade and other payables, less cash and cash equivalents.

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Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Borrowings	347.52	767.45
Trade payables	229.57	342.84
Lease liabilities	28.07	20.11
Other financial liabilities	63.21	339.41
Less: Cash and bank balances	123.40	(243.58)
Net debt	**791.77**	**1226.23**
Equity	3,955.77	2,947.30
Capital and net debt	**4,747.54**	**4173.53**
Gearing ratio	17%	29%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

42 Raw material and power & fuel costs include expenditure on captive production of salt, limestone, briquette and lignite as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Manufacturing expenses*	208.87	201.44
Stores and spares consumed	1.74	1.84
Power and fuel	6.37	3.60
Excise duty, cess and royalty	4.17	4.98
Repairs and maintenance		
Building	0.32	0.84
Plant and machinery	1.08	1.09
Earth work	2.12	13.67
Others	0.47	0.63
Salaries and wages (refer Note no 32)	9.31	8.61
Travelling & conveyance	0.93	0.80
Lease rent	1.02	0.88
Rates and taxes	0.18	0.20
Insurance	4.29	2.25
Misc. expenses (including deferred revenue & intangible expenses)	4.51	3.61
Less: Other misc. income	(10.54)	(9.88)
Total	**234.84**	**234.56**

* It includes consumption of breeze, starch binder, other production and mining cost.

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43 In prior years as per SEBI (ESOS & ESPS) guidelines 1999 the Employees Stock Option Schemes of GHCL was administered by the registered Trust named GHCL Employees Stock Option Trust. However, the SEBI circular dated November 29, 2013, required the closure of all Employee Stock Option Trusts by June 2014. Accordingly, GHCL closed its ESOS Scheme, disposed of GHCL shares but retained its ESOS Trust for a limited purpose of litigation. ESOS Trust owns 20,46,195 GHCL shares, out of which 15,79,922 shares were illegally sold by broker involved, against which ESOS Trust has initiated legal proceedings and 4,66,273 shares were blocked for transactions by Stock exchange under legal proceedings. During the earlier year, 4,66,273 shares were transferred/released to ESOS Trust as per NSE order dated July 24, 2019 and are currently held by the Trust.

During the tenure of ESOS Trust, the Group had advanced INR 29.54 crores interest free loan to the Trust to buy the shares and at the end of March, 2014, the Group had written off an amount of INR 23.34 crores due from ESOS Trust on account of permanent diminution in the value of 20,46,195 shares as on March 31, 2014 held by the Trust.

Once the legal matter will settle ESOS Trust will get the possession of 15,79,922 shares also, the sale proceeds from the disposal of these 20,46,195 shares by ESOS Trust will first be used to repay the loan amounting to INR 29.54 crores due to the Group which includes restatement of earlier write-off of INR 23.34 crores taken in March, 2014 and the balance surplus (if any) will be used for the benefit of the employees of the Company as per the recommendation of GHCL's Compensation Committee.

44 Remittances during the year in Foreign currency on account of:

Dividend for the financial year ended	For the year ended March 31, 2023	For the year ended March 31, 2022
Dividends to non-resident shareholders	8,80,28,385	2,54,74,518
Number of non-resident shareholders	537	549
Number of shares	58,68,559	58,77,108

45 Discontinued Operations :

(A) Home Textile Business

Pursuant to the Business Transfer Agreement dated December 06, 2021 and Amendment to Business Transfer Agreement dated March 30, 2022 with Indo Count Industries Limited (ICIL), the Holding Company on April 02, 2022 transferred its Home Textile Business (comprising of weaving, processing, cutting and sewing of home textiles products, hereinafter referred as "HT Business") as a going concern on a slump sale basis during the current year after satisfaction of conditions precedent as stipulated in these agreements at a consideration of INR 562.34 crores. In addition, Grace Home Fashions LLP ('GHF'), a wholly owned erstwhile subsidiary of the Holding Company also transferred its identified assets (i.e., inventory and intellectual property) to Indo Count Global Inc., USA (US subsidiary of ICIL) on April 02, 2022 at a consideration of INR 31.77 crores pursuant to fulfillment of conditions precedent as per the Asset Transfer Agreement (ATA) dated December 06, 2021 and Amendment agreement ('AATA') dated March 30, 2022 for transfer of its identified assets. Grace Home Fashion LLC has been dissolved on March 02, 2023.

Consequent to the above, the resultant profit of INR 75.73 crores (net of current and deferred tax impact of INR 4.11 crores on such sale of the HT Business recognised under Exceptional Items. The Holding Company's current tax obligation arising from such sale had been booked in accordance with the provision of the Income Tax Act, 1961.

(B) Spinning Division

The Board of Directors of the Holding Company at their meeting held on December 06, 2021 approved a Scheme of Arrangement under Section 230-232 of the Companies Act 2013 consisting of demerger of 'Spinning Division' of GHCL Limited ("Holding Company/Demerged Company/ Company") into GHCL Textiles Limited ('Subsidiary Company/Resulting Company')" (the "Scheme").

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Upon the Scheme becoming effective, the Spinning division (along with all assets and liabilities thereof as at the appointed date stated in the Scheme) shall be transferred to the Resulting Company on a going concern basis. As a consideration for the Demerger, the resulting Company will issue its equity shares to the shareholders of the Holding Company as on the record date in a 1:1 swap ratio (i.e. One share of INR 2 each will be issued by the Resulting Holding Company for every one share of INR 10 each held in the Holding Company). Further, upon the Scheme becoming effective the investment made by Holding Company in Resulting Company shall be cancelled. The Scheme has been approved by the Hon'ble National Company Law Tribunal, Ahmedabad (NCLT) vide its order dated February 08, 2023.

As per the Scheme, the accounting in respect of the Scheme will be carried out on the Appointed date mentioned in the Scheme i.e. the date on which the Holding Company files the Certified True Copy of the NCLT order along with the sanctioned Scheme with the ROC i.e.1 April 2023. However, Appendix A of Ind AS 10 'Distribution of Non-cash Assets to Owners' prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time requires the Holding Company to account for such Scheme (including the consequent loss of control over the subsidiary) in the current year, since the substantial conditions relating to transfer of the demerged undertaking were met during the current year.

Since the Certified True Copy of the NCLT order along with the sanctioned Scheme with the ROC was filed after the year end no accounting effect in respect of the Scheme has been given in these consolidated financial results, as the approved scheme prevail over the applicable Indian Accounting Standards

(C) The net results of Home Textiles Business and Spinning Division has been disclosed separately as discontinued operation as required by Indian Accounting Standard (Ind AS) 105 Asset Held for Sale and Discontinued Operations and Schedule Ill to the Companies Act, 2013. Consequently, the Group's Statement of Profit and Loss for the year ended March 31, 2023 pertains to its continuing operations only and for that purpose the statement of profit and loss for the year ended March 31, 2022 have been restated accordingly.

The following information relates to discontinued operations of Home Textiles Division and Spinning Division

(i) Results of HT Business and Spinning Division are presented below ::

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	HT Business	Spinning Division	Total	HT Business	Spinning Division	Total
Revenue from continuing operations						
Revenue from operations	60.64	1,031.41	1,092.05	819.73	920.49	1,740.22
Other income	0.40	5.40	5.80	14.38	3.20	17.58
Total Income	**61.04**	**1,036.81**	**1,097.85**	**834.11**	**923.69**	**1,757.80**
Expenses from continuing operations						
Cost of raw materials consumed	(0.38)	789.60	789.22	500.04	538.58	1,038.62
Purchase of stock in trade	7.31	-	7.31	4.15	-	4.15
(Increase)/ Decrease in inventories of finished goods, stock-in-trade and work-in-progress	40.78	(30.58)	10.20	(14.75)	(25.74)	(40.49)
Power, fuel and water	0.20	60.71	60.91	66.10	54.93	121.03
Employee benefit expenses	0.65	54.28	54.93	46.28	44.87	91.15
Depreciation and amortization expense	-	40.03	40.03	15.09	29.85	44.94
Finance costs	0.54	7.31	7.85	7.04	12.23	19.27
Other expenses	1.57	92.46	94.03	139.77	56.18	195.95
Total expenses	**50.67**	**1,013.81**	**1,064.48**	**763.72**	**710.90**	**1,474.62**

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Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	HT Business	Spinning Division	Total	HT Business	Spinning Division	Total
Profit before tax	**10.37**	**23.00**	**33.37**	**70.39**	**212.78**	**283.17**
Tax expense of continuing operations:						
Current tax	2.61	1.56	4.17	21.11	55.18	76.29
Deferred tax (credit)/charge	-	3.42	3.42	0.85	1.93	2.78
Total tax expenses	**2.61**	**4.99**	**7.60**	**21.96**	**57.11**	**79.07**
Profit for the year	**7.76**	**18.01**	**25.77**	**48.43**	**155.67**	**204.10**
Earnings per share						
Basic	0.77	1.79	2.56	5.36	17.22	22.58
Diluted	0.77	1.79	2.56	5.34	17.18	22.52

(ii) Major class of assets and liabilities of HT Business and Spinning Division are presented below :

Particulars	As at March 31, 2023	As at March 31, 2022
	Spinning Business	HT Business
Assets		
Non-current assets		
Property, plant and equipment	932.41	271.97
Capital work-in-progress	89.36	0.36
Other intangible assets	0.16	0.41
Investments	1.23	-
Other non-current financial assets	14.20	0.31
Other-non current assets	34.57	0.08
Total Non current assets (A)	**1,071.93**	**273.13**
Current assets		
Inventories	350.79	200.61
Trade receivables	88.91	102.11
Cash and cash equivalents	37.23	0.17
Loans current	0.33	0.20
Other current financial asset at amortised cost	5.84	2.30
Other current assets	62.60	12.91
Total current assets (B)	**545.70**	**318.30**
Assets held for sales (C)	0.23	-
Total assets (D) = (A+B+C)	**1,617.85**	**591.43**
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	53.42	-
Deferred tax liabilities (net)	118.52	-
Total Non current liabilities (D)	**171.94**	**-**
Current liabilities		
Borrowings	25.17	17.96

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Particulars	As at March 31, 2023	As at March 31, 2022
	Spinning Business	HT Business
Trade payables	44.56	61.26
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
Other financial liabilities current	2.60	0.70
Provisions Short term	9.70	0.54
Contract liabilities	3.80	0.97
Other liabilities	0.81	1.06
Total current liabilities (E)	**86.64**	**82.49**
Total liabilities (F) = (D+E)	**258.58**	**82.49**
Net Assets (C-F)	**1,359.28**	**508.94**

(iii) Net Cash flow attributable to Discountinued Operations are as follows :

Particulars	As at March 31, 2023
Net cash generated from operating activities (A)	379.06
Net cash flow (used in) investing activities (B)	(187.09)
Net cash (used in) financing activities (C)	(156.53)
Net increase in cash and cash equivalents (A+B+C)	**35.44**
Cash and cash equivalents at the beginning of the year	1.79
Cash and cash equivalents at the end of the year	37.23

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46. Group information

(i) The Consolidated financial statement of the Group includes subsidiaries are mentioned below :-

S.No	Name of the entity	Country of incorporation	Nature	Ownership interest held by the Group	Year Ended	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss (continuing and discontinue operations)		Share in other Comprehensive Income		Share in Total Comprehensive income	
						As % of consolidated Net Assets	Amount (INR In crores)	As % of consolidated profit or loss	Amount (INR In crores)	As % of consolidated other comprehensive Income	Amount (INR In crores)	As % of consolidated comprehensive Income	Amount (INR In crores)
1	2	3	4		6	7	8	9	10	11	12	13	14
(I)	Parent												
	GHCL Limited	India	Parent Company		March 31, 2023	99.51%	3,933.88	97.82%	1,116.71	86.53%	(3.61)	97.86%	1,113.10
					March 31, 2022	100.16%	2,947.30	98.03%	637.27	92.26%	1.65	98.02%	638.92
(II)	Indian Subsidiaries having no minority interests												
1	GHCL Textiles Limited	India	WOS	100%	March 31, 2023	0.00%	(0.00)	0.01%	(0.01)	0.00%	-	0.00%	(0.01)
					March 31, 2022	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
(III)	Foreign Subsidiaries having no minority interests												
1	Grace Home Fashions LLC *	USA	WOS	100%	March 31, 2023	0.00%	-	1.15%	13.04	35.68%	(1.49)	1.02%	11.55
				100%	March 31, 2022	-0.39%	(11.55)	0.87%	5.66	-90.50%	(1.62)	0.62%	4.04
2	Dan River Properties LLC	USA	WOS	100%	March 31, 2023	0.19%	7.50	0.01%	0.10	-13.82%	0.58	0.06%	0.68
				100%	March 31, 2022	0.23%	6.83	-0.18%	(1.14)	96.09%	1.72	0.09%	0.58
	Other consolidation adjustment				March 31, 2023	0.30%	11.73	1.03%	11.73	19.55%	0.35		12.08
					March 31, 2022	0.00%	0.04	1.27%	8.26	2.23%	0.04		8.30
	Total - March 31, 2023					100%	3,953.11	100%	1141.57	128%	(4.17)		1,137.40
	Total - March 31, 2022					100%	2,942.63	100%	650.05	98%	1.79		651.84

Note

i) WOS refers to 'Wholly Owned Subsidiary'

(ii) In the consolidated financial statements, the figures of subsidiary Company GHCL Textiles Limited have been incorporated based on the audited financial statements as at March 31, 2023 and March 31, 2022. and other subsidiary companies have been consolidated based on management approved unaudited financial statements.

* Dissolved w.e.f March 02, 2023

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47 Additional regulatory information:

1 The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

2 The Group do not have any transactions with Companies struck off..

3 The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

4 The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year..

5 The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall::

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

6 The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall::

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(B) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,

7 The Group have not any such transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

8 Ratio Analysis and its elements of continuing operations:

Particulars	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variation	Reason for variance
(a) Current Ratio,	Current Assets	Current Liabilities	4.16	1.42	193%	On account of higher investment made in Mutual Fund during the year, there is significant improvement in the ratio.
(b) Debt-Equity Ratio,	Total Debt	Shareholders Equity	0.11	0.25	-57%	On account of higher profit earned during the year, there is significant decrease in the ratio.
(c) Debt Service Coverage Ratio,	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	3.40	2.45	39%	On account of higher cash profit earned during the year, there is significant improvement in the ratio.
(d) Return on Equity Ratio,	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.33	0.21	57%	On account of higher Net profit earned during the year, there is significant improvement in the ratio.

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Particulars	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variation	Reason for variance
(e) Inventory turnover ratio,	Cost of goods sold	Average Inventory	3.75	1.93	94%	Majorly on account of higher sales in the current year as compare to previous year due to which there is favourable movement in the ratio.
(f) Trade Receivables turnover ratio,	Net credit sales = Gross credit sales - sales return	Avg. Accounts Receivable	5.45	18.14	-70%	Majorly on account of higher sale in the current year as compare to previous year due to higher sales thereby leading to a significant change in the ratio.
(g) Trade payables turnover ratio,	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	8.28	6.13	35%	Majorly on account of higher purchase in the current year as compare to previous year due to higher sales thereby leading to a significant change in the ratio.
(h) Net capital turnover ratio,	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	3.56	8.07	-56%	Majorly on account of higher sales in the current year as compare to previous year due to which, there is decrease in the ratio.
(i) Net profit ratio,	Net Profit	Net sales = Total sales - sales return	0.20	0.16	27%	On account of higher profit earned during the year, there is significant improvement in the ratio.
(j) Return on Capital employed,	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.42	0.20	112%	On account of higher earning before interest and taxes earned during the year there is significant improvement in the ratio.
(k) Return on investment-Mutual fund	Finance Income	Investment	8.35%	3.53%	136%	Mainly on account of investments in mutual funds in current year.
L) Operating profit Margin (%)	Earning before interest and taxes	Revenue from operations	27%	23%	19%	On account of higher earning before interest and taxes earned during the year there is significant improvement in the ratio.
m) Return on Net Worth (%)	Total comprehensive income for the year, net of tax	Net worth	29%	21%	37%	On account of higher total comprehensive income earned during the year there is significant improvement in the ratio.

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48 Assets classified as held for Sale and discontinued operations:

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Assets classified as held for Sale and discontinued operations		
Discontinued operations - (footnote"i)	-	591.43
Discontinued operations - (footnote"ii)	1,617.63	-
Assets held for Sale (footnote"iii)	0.23	3.61
Total	**1,617.86**	**595.04**
(b) Liabilities directly associated with discontinued operations		
Discontinued operations - (footnote"i)	-	82.49
Discontinued operations - (footnote"ii)	258.59	

(i) For details relating Discontinued operations (Home Textiles business at Vapi, Gujarat) (Refer Note No 45A &C)

(ii) For details of discontinued operation relates to spinning division - Refer Note 45B & C.

(iii) The management has balance excessive and surplus land of 4.84 acres (Previous Year 2.89 acres) outside the premises of factory at Madurai, that is being disposed off and balance is held as non current asset held for sale. During the year the Company has sold/disposed 4.37 acres (Previous Year 0.47 acres) of land. Also the Company has transferred Nil (Previous Year 2.42 acres) of land from Property, Plant and Equipment being to be sold/disposed off after the approval of Board of directors.

	As at March 31, 2023		As at March 31, 2022	
	Acres	Amount	Acres	Amount
Opening balance	4.84	3.61	2.89	2.34
Add: Transferred from Property, plant and Equipment			2.42	1.65
Less: Sold/Disposed	4.37	3.38	0.47	0.38
Less: Transferred to GHCL Textiles pursuant to scheme of arangement	0.47	0.23	-	-
Closing balance	-	-	**4.84**	**3.61**

49 A The Holding Company had adopted Ind AS with transition date as April 01, 2015 and its first Ind AS financial statements were prepared for the year ended March 31, 2017. The Holding Company had revalued land, buildings and certain property, plant and equipment during the financial year ended March 31, 2009 and such revaluation surplus was credited to "Business Development Reserve" under Reserves and surplus in accordance with the Scheme of Arrangement approved by Hon'ble Gujarat High Court. Under the previous GAAP (Indian GAAP), deferred taxes were not required to be recognised on such revaluation surplus.

On the date of transition to Ind AS, the Holding Company carried the carrying cost of property, plant and equipment as deemed cost as per Ind AS 101. Further, the Holding Company was required to create deferred tax liability on difference between the carrying amount of such revalued assets in the balance sheet and its tax base on the date of transition to Ind AS. However, such deferred tax liabilities were not recognised in its first Ind AS financial statements for the year ended March 31, 2017 on the transition date.

Such non recognition of deferred tax liabilities has been corrected in the financial statements of the current year retrospectively restating the comparative information as per Ind AS 8. A third balance sheet as at the beginning of the earliest period (i.e.

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April 1, 2021) has also been presented.

49 B The Holding Company during the current year has re-evaluated the terms of arrangement of its contracts with customers with reference to Ind AS 115 and relevant guidance and determined that the amount of freight recovered from customers on sales of goods should have been presented as Revenue from contracts with customers under the head "Revenue from Operations" since the Holding Company is acting as a principal as against presenting such amount of freight recovered as a deduction from the freight expenses under the head "Other expenses".

Based on such reassessment, in accordance with the Indian Accounting Standards, the Holding Company has corrected this by reclassifying the amounts of freight recovered from "Other expenses" to "Revenue from Operations" for the previous year ended March 31, 2022. Such reclassification do not have any impact on the profit before or after tax or other equity of the Group.

49 C (i) The impacts of the above restatements on the balance sheets for each of the years presented are as follows:

Particulars	As at April 01, 2021	As at March 31, 2022
Increase in deferred tax liabilities	141.60	138.26
Decrease in other equity:	141.60	138.26
'- Business Development Reserve	73.89	73.89
'- Retained Earnings	67.71	64.37

(ii) The impact of such restatements in the statement of profit and loss for the year presented are as follows:

Particulars	Year ended 31.03.2022
Increase in deferred tax credit in the statement of profit and loss	3.34
Increase in Revenue from Operations	194.27
Increase in Freight and Forwarding under "Other Expenses"	194.27

(iii) The impact of such restatements on basic & diluted EPS for the year presented are as follows:

Particulars	Year ended 31.03.2022
Restated Basic EPS	68.24
Published Basic EPS	67.89
Restated Diluted EPS	68.02
Published Diluted EPS	67.68

50 The Holding Company has entered into a Business Transfer Agreement ("BTA") with Ajmera Cements Private Limited ("Seller") on February 16, 2023 for the acquisition of a specified Business Undertaking located in the Junagarh district of Gujarat, as a going concern on a slump sale basis for an estimated consideration of INR 27 Crores, subject to certain adjustments in terms of the BTA ("Proposed Acquisition"). On March 31, 2023, both the parties have mutually agreed to extend the long stop date of the BTA to June 30, 2023 subject to the satisfaction of conditions precedent as stipulated in the BTA and upon securing requisite approvals from competent authorities.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(INR in crores)

51 Coronavirus (COVID-19)/War in Ukraine Impact on Financial Reporting – Accounting Year Ending March 31, 2023

The Group has considered the possible effects that may result from COVID-19/War in Ukraine in the preparation of these Consolidated financial statements including the recoverability of carrying amounts of financial and non-financial assets. Based on the current year performance and estimates arrived at using internal and external sources of information, the Group does not expect any material impact on such carrying values. Based on the projected cash flows for the next one year the management is confident of liquidating its liabilities as and when they fall due and the Going Concern Assumption used for preparation of these financial statements is appropriate.

52 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group is in the process of assessing the impact of the code and will record the same, if any, in the year the Code becomes effective.

53 Exceptional Item

Exceptional item for the current year represents, profit of INR 75.73 crores (net of current and deferred tax impact of INR 4.11 crores) on sale of the Home Textiles Business.

54 As per the Transfer Pricing Rules of the Income Tax Act, 1961 every Group is required to get a transfer pricing study conducted to determine whether the transactions with associated enterprises were undertaken at an arm's length basis for each financial year end. Transfer pricing study for the transaction pertaining to the year ended March 31, 2023 is currently in progress and hence adjustments if any which may arise there from have not been taken into account in these financial statements for the year ended March 31, 2023 and will be effective in the financial statements for the year ended March 31, 2024. However, in the opinion of the Group's management, adjustments, if any, are not expected to be material.

55 Previous year's figures have been regrouped / rearranged wherever necessary, to conform to the current year's presentation. As required by Indian Accounting Standard (Ind AS) 105 "Asset Held for Sale and Discontinued Operations", the Statement of Profit and Loss for the year ended March 31, 2022 has been restated to make it comparable, however Balance Sheet as at March 31, 2022 has not been reclassified or re-presented (except as stated in Note 49).

56 Standards notified but not yet effective:

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Group's financial statements.

As per report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

sd/-
per **Sanjay Vij**
Partner
Membership No. 095169

Place : Gurugram
Date: April 29, 2023

For and on behalf of the Board of Directors of GHCL Limited

sd/-
Dr. Manoj Vaish
Director
DIN: 00157082

sd/-
R. S. Jalan
Managing Director
DIN: 00121260

sd/-
Raman Chopra
CFO & Executive Director-Finance
DIN: 00954190

sd/-
Bhuwneshwar Mishra
Vice President- Sustainability &
Company Secretary
Membership no. FCS 5330

Place : New Delhi
Date: April 29, 2023

GHCL

GHCL Limited

A Dalmia Brothers Enterprise

Registered Office
"GHCL HOUSE"
Opp. Punjabi Hall
Navrangpura, Ahmedabad-380 009,
Gujarat

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