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Dear Sirs,

Re.: GHCL Limited (BSE Code: 500171 & NSE Code: GHCL)

Subject: Investors' Presentation – Q3FY 16 Business Update

As informed on January 21, 2016 that a conference call to discuss the Q3FY16 results of the company with Mr. R S Jalan, Managing Director and Mr. Raman Chopra, CFO & Executive Director (Finance) is scheduled to be held on Monday, February 1, 2016 at 4.00 PM (IST). In this regard, copy of the financials and other business details for Q3FY 16 (i.e. Business Update), which is going to be circulated for the scheduled investors' conference, is enclosed herewith for your reference & record.

In line with the terms of Code of conduct and procedures for fair disclosure of unpublished price sensitive information read with SEBI (Prevention of Insider Trading) Regulations, 2015, we shall post relevant information, if any, on the website of the company promptly after the meeting and also send copy of the same to the stock exchanges.

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

Thanking you

Yours truly

For GHCL Limited

Manoj Kumar Ishwar
Sr. Manager (Secretarial)



GHCL Limited
Q3FY16 Business Update



30/11/16

Safe Harbor

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Donil





Q3FY16 Highlights

Bohil

Robust year-on-year growth in Q3 FY16..

14%↑

Revenue

Rs 668 crore

27%↑

EBITDA

Rs 157 crore

230bps↑

EBITDA Margin

23.5%

64%↑

Profit Before Tax

Rs 100 crore

58%↑

Profit After Tax

Rs 66 crore

270bps↑

PAT Margin

9.9%

... with improving financial indicators



Net Debt / EBITDA

2.12 ↓

Dec'15 from 2.48 in
Mar'15

Net Debt / Equity

1.37 ↓

Dec'15 from 1.72 in
Mar'15

Net Debt (Rs crore)

1,297 ↓

Dec'15 from 1324 cr in
Mar'15

Return on
Capital Employed*

22%

Q3FY16

Return on Equity*

24%

Q3FY16

Cash Profit after tax
(Rs crore)

86

Q3FY16

Standalone Financials

- ROCE calculated as - Trailing 12 Months (TTM) EBIT/ (Total Debt + Shareholders Equity)
- ROE calculated as - Trailing 12 Months (TTM) PAT/ Shareholders Equity

A handwritten signature in black ink, appearing to read "Binil".



Strong year-on-year growth in 9M FY16

10%↑

Revenue

Rs 1913 crore

24%↑

EBITDA

Rs 459 crore

272bps↑

EBITDA Margin

24%

41%↑

Profit Before Tax

Rs 262 crore

35%↑

Profit After Tax

Rs 179 crore

170bps↑

PAT Margin

9.3%

Profitability highlights

In Rs Crore	Q3 FY 16	Q3 FY15	YoY %	9M FY 16	9M FY15	YoY %
Revenues	668	585	14%	1913	1741	10%
Cost of Material Consumed	269	231	17%	730	701	4%
Utility Cost	92	106	-14%	274	292	-6%
Man Power Cost	34	32	4%	102	96	6%
Other Operating Expenses	116	92	27%	348	281	24%
Total Cost	511	461	11%	1454	1370	6%
EBITDA	157	124	27%	459	371	24%
EBITDA Margin	23.5%	21.2%	230BPS	24.0%	21.3%	270BPS
Depreciation	20	19	4%	60	57	5%
Interest	37	44	-15%	123	128	-4%
Profit Before Exceptional Items	100	61	64%	276	186	48%
Exceptional Items	-	-		14	-	
Profit Before Tax	100	61	64%	262	186	41%
Tax Expense	34	19	78%	83	53	57%
Net Profit	66	42	58%	179	133	35%
Net Profit Margin	9.9%	7.2%	270 BPS	9.3%	7.6%	170BPS
Earning Per Share (EPS)	6.63	4.30		17.88	13.43	

Growth in Revenue has been driven by strong market foothold in home textiles and higher soda ash volumes

Both the segment have contributed equally to the increase in EBITDA over last year's quarter

Profitability highlights

Revenue Growth 14% YoY

Rs Crore	Q3 FY 16	Q3 FY 15	YoY
Inorganic	385	353	9%
Textiles	283	232	22%
GHCL	668	585	14%

❖ **Robust growth driven by :-**

- ▶ Healthy sales volume riding on higher productivity, despite drop in pricing by 1.5% in inorganic segment
- ▶ Strong presence in USA with new orders driving growth in textile segment

EBITDA Growth 27% YoY

Rs Crore	Q3 FY 16	Q3 FY 15	YoY
Inorganic	124	106	17%
Textiles	33	18	83%
GHCL	157	124	27%

❖ **Robust growth driven by :-**

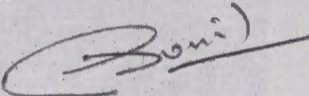

- ▶ Inorganic Chemicals: Volume growth (8% y-o-y), process & production efficiencies and lower commodity prices (mainly coal & coke)
- ▶ Home Textiles: Volumes growth (14% y-o-y), customer and product rationalization and lower input cost

Balance sheet

In Rs Crores	Dec-15	Mar-15
Shareholder's Fund	949	770
Share capital	100	100
Reserves & Surplus	849	670
Non-current liabilities	886	965
Long term borrowings	690	784
Other non-current liabilities	196	181
Current liabilities	1113	1,056
Short term borrowings	529	454
Other current liabilities	584	602
TOTAL LIABILITIES	2948	2,791

In Rs Crore	Dec-15	Mar-15
Non-current assets	2062	1955
Fixed assets	2033	1932
Other Non-current assets	29	23
Current assets	886	836
Current Investment	0	0
Inventories	462	417
Trade receivables	313	268
Cash and bank balances	8	32
Other current assets	103	119
TOTAL ASSETS	2948	2791

Unaudited and not revised by auditors

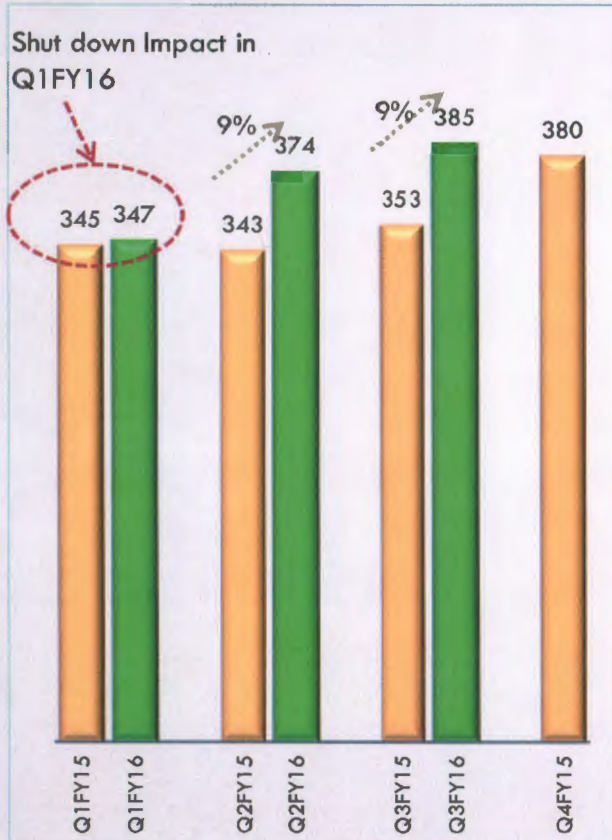


Inorganic Chemical Segment

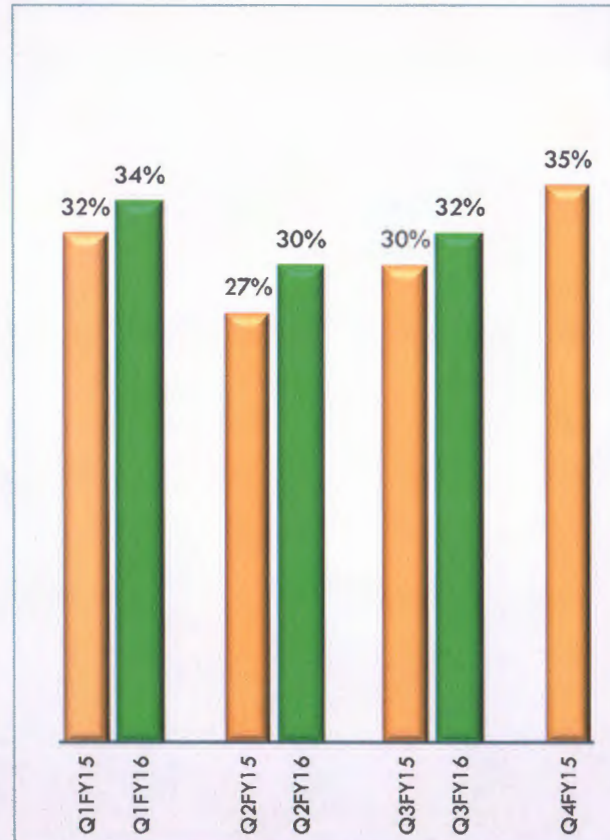
B. Sinha

Inorganic Chemicals – consistently improving margins

Turnover (Rs crore)



EBITDA Margin



87%

Capacity utilization in soda ash; highest in the industry

Rs 124cr

EBITDA; 17% Growth YoY

New initiatives at soda ash facility to optimize production

Innovation in Carbonation Tower

- Tested in one tower with successful results
- To be implemented in 6 more towers
- Likely to result in additional production of 4,000 MT p.a.

Innovation in Filtration

- Reduction in moisture leading to lower utility cost
- Also enabling reduction in carbon foot print
- Potential saving of Rs. 10 crore

Lowering Internal consumption

- Active Focus on quality salt procurement with utilization of Nano water technology
- Achieved 1% reduction in internal soda ash consumption
- Additional soda ash availability of around 5,000 MT

Waste Management

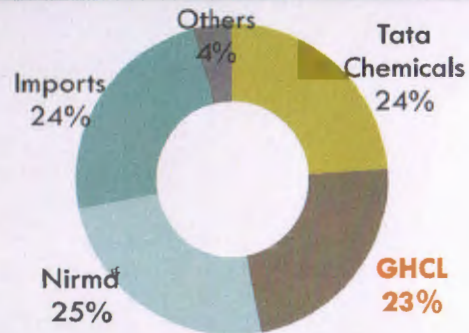
- Formulating bricks from fly ash from boilers
- Enabling environment protection by reducing air pollution
- Will result in reduction in civil cost

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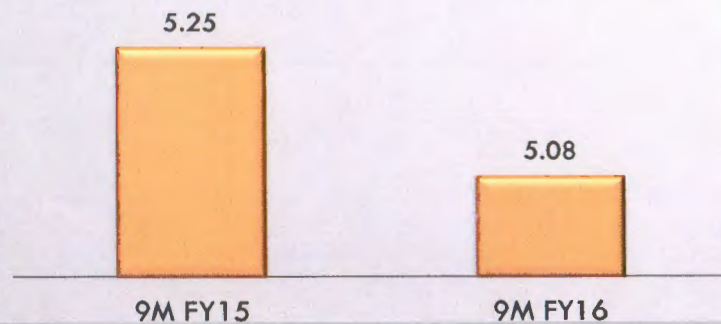


Soda ash domestic industry scenario

Soda Ash Supply Matrix



Imports (Lakh MT)



- Demand growth at 4-5% CAGR in last 5 years
- Domestic demand growth remained between 1%-2% during the current quarter
- Likely to improve with economic growth and “Make in India” campaign
- Pricing likely to remain soft for next quarter, however lowering energy cost to support margins
- Imports:
 - Import witnessed a drop witnessed during Q3; Chinese Imports comprised only 3-4% of Indian demand
 - Import prices have been on lower side, however now looking stable
 - Industry is watchful of Yuan devaluation and Chinese slowdown

GHCL

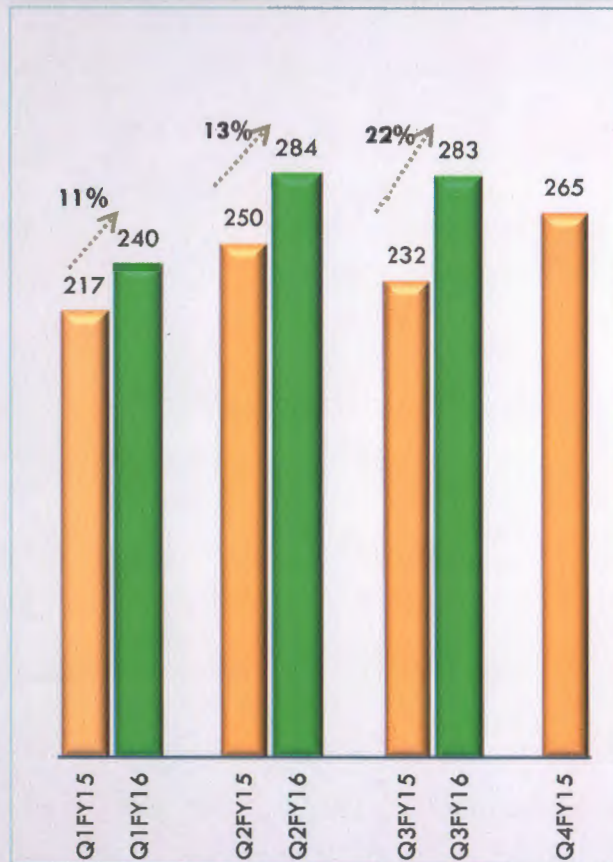
Textiles Segment

Promin

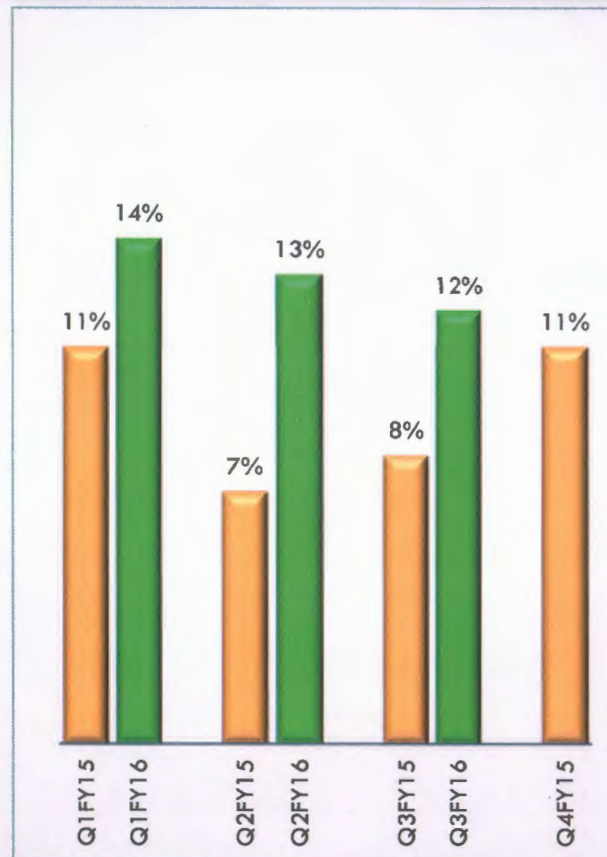


Textiles – higher margins with improved capacity utilization

Turnover (Rs crore)



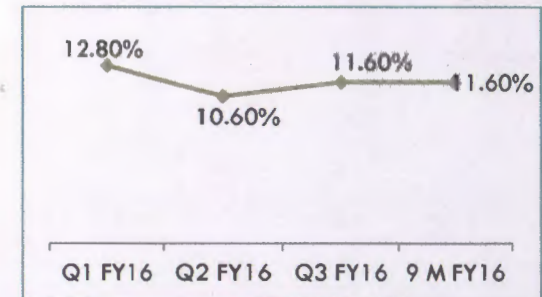
EBITDA Margin



Rs 33cr ↑

EBITDA; 83% Growth YoY

EBITDA % (w/o Wind Energy)



- Q2 is peak wind season as compared to Q3
- Excluding wind energy impact, margins up 1% over Q2FY16

Developments in textile segment

Expanding customer band reach with new additions

Moving to premium category

Moving to branded segment with new brands in portfolio

THE WHITE COMPANY
LONDON

AUSTRALIAN WEAVING

panningvale

PERCALE

LAUNDRY

FLANNEL

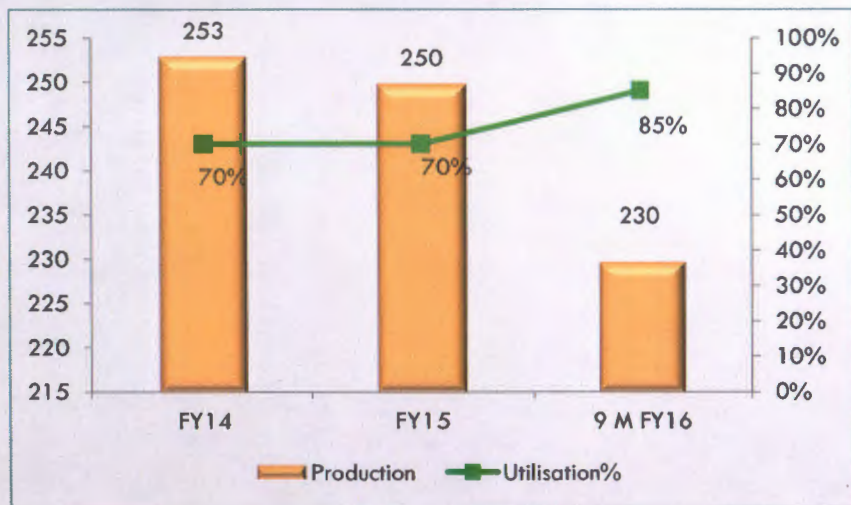


Capacity optimization in home textiles

83%

Capacity utilization up from 70% in FY15; 36mm processing capacity

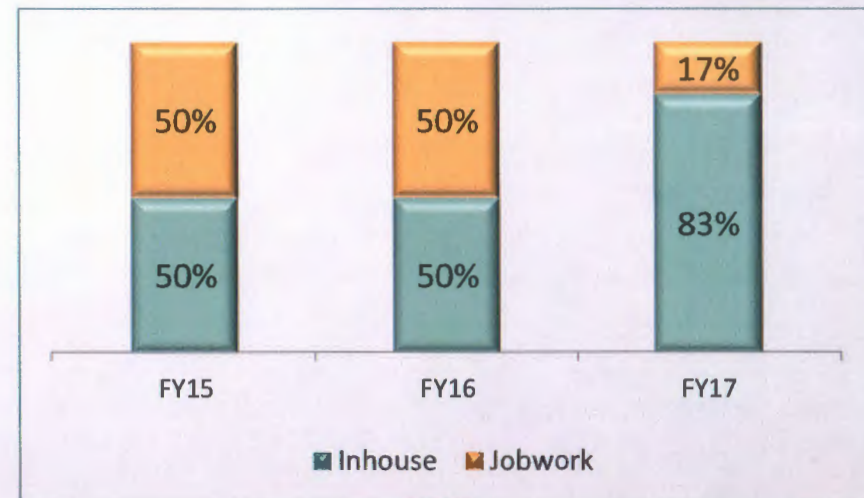
Increasing capacity utilization



67%

Increase in In-house Cut & Sew Capacity to be commissioned by March 2016

Increasing stitching capacity



Boni

GHCL home textiles export – expanding reach



- ▶ With continued focus in US Market, target to expand in other geographies like Australia and Europe
- ▶ Plan to realign customer mix and introduce value added products

Based on 9MFY16 Export mix



Expanding wind capacity; reducing carbon footprint

Consciously reducing carbon foot print by moving to Green Energy



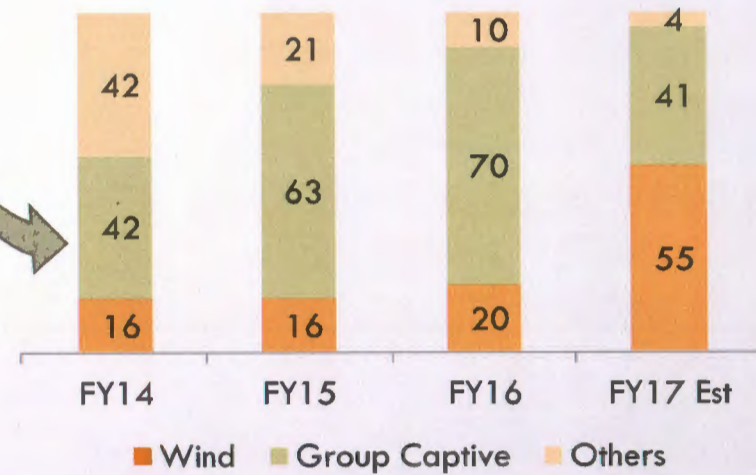
Wind Turbine Capacity

FY14 8.5MW

FY15 13MW

FY16 25MW

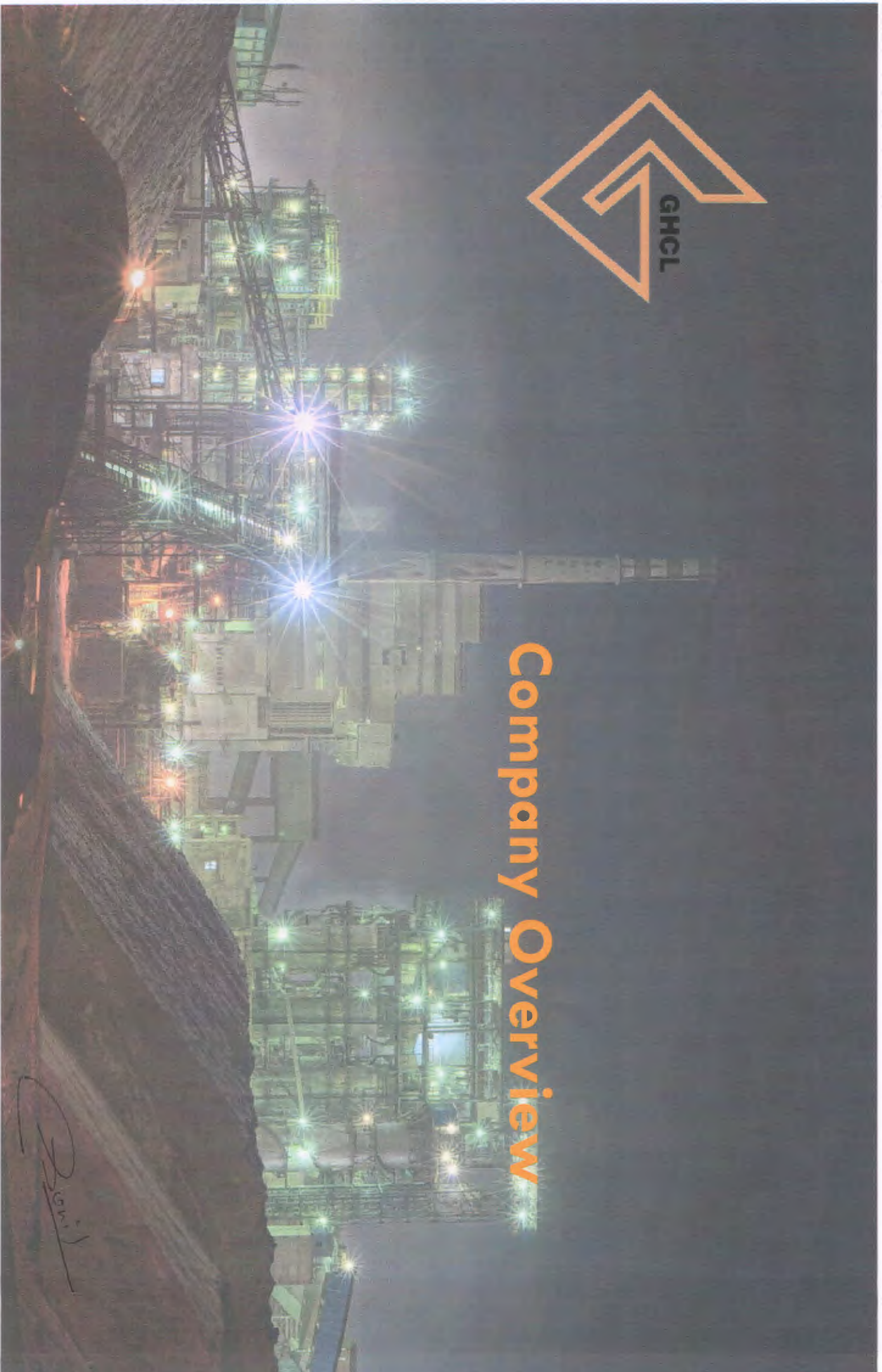
Energy Matrix in %



Bunil



Company Overview



Pravin

Business segments overview

Inorganic Chemical (60%*)

- Leading producer of soda ash in India which find use in detergents & glass industries
- Specializes in manufacturing Sodium Bicarbonate
- Annual production capacity of 850,000 MT of soda ash, ~23% of annual domestic requirement
- Manufacturing plant at Sutrapada, Gujarat
- Preferred supplier to HUL, Ghari, P&G, HNG, Piramal Glass, St Gobain and Phillips

Home Textile (40%*)

- Integrated home textile manufacturer in India
- Presence across spinning, weaving, continuous fabric processing, and cut & sew for premium quality bed linen
- Spinning capacity of ~ 175,000 spindles
- Processing capacity of ~ 36 million meters
- State of the art manufacturing facilities:
 - Spinning plant - Madurai, TN
 - Home textile - Vapi, Gujarat
- Preferred supplier to Bed Bath & Beyond, Target, Sears, JC Penny, House of Fraser and Kmart

*FY15 Revenue contribution

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Steadily expanding capacity across segments

Production of Soda Ash commences with an installed capacity of 420,000 tones / year

Production capacity increased to 525,000 tones / year

1988-2000

2001-03

Soda Ash production capacity increased to 600,000 tones/year

Entered Spinning business - 65,000 spindles

Spindles capacity increased to 83,000

Soda Ash production capacity increased to 850,000 tones / year

Spindles capacity increased to 83,000 and subsequently to 140,000

Home Textiles production commences with 36 mn meters processing capacity and 8 mn meters weaving capacity

2006-08

2012-15

Spindles capacity increased to 175,000

Air jet looms capacity increased to 134 and subsequently to 162 looms (present weaving capacity – 12 mn meters)

Soda Ash capacity expansion by 1 lac MT

De-bottlenecking at Home Textiles and increase in cut and sew capacity

2016-18

Professional management

Mr. R. S. Jalan, Managing Director



- Over three decades of business experience
- Unique leadership style with endeared managerial abilities drives all businesses alike
- Qualified Chartered Accountant, profess deep business understanding and excellent analytical skills

Mr. Raman Chopra, CFO & Executive Director



- Spearheading GHCL's Finance and IT functions
- Experience of 25 years in Merger & Acquisitions, Taxation, Finance and Project implementation
- Qualified Chartered Accountant with sharp financial acumen, negotiation skills and a great passion for technological advancements and specialisation in Greenfield expansion

Mr. Sunil Bhatnagar, Marketing, Soda Ash

- Three decades of marketing experience.
- Associated with the Company for over 22 years
- Degree in law and diploma in management

Mr. N N Radia, COO, Soda Ash

- Three decades of experience in soda ash operations.
- Associated with the Company since 1986
- Bachelor in mechanical engineering

Mr. Neeraj Jalan, SVP, Home Textiles

- A self motivator, he is instrumental in building this vertical
- Associated with Company for over 17 years
- Qualified Chartered Accountant

Mr. M. Sivabalasubramanian, SVP, Spinning

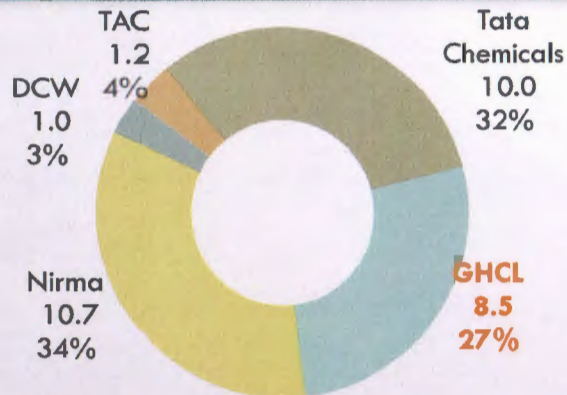
- Vast experience in cotton procurement and manufacturing operations
- Associated with Company for over 20 years
- Bachelor in textile engineering

Leading manufacturer of soda ash with 8.5 L MT capacity

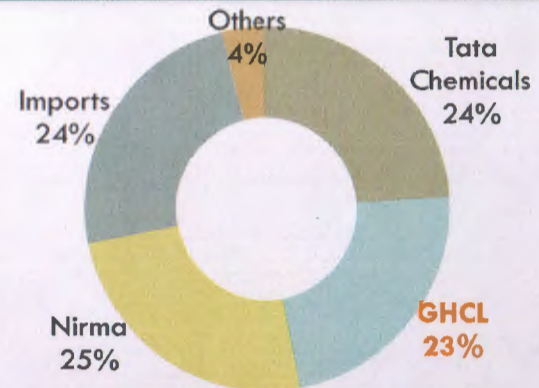
Presence in light and dense soda ash

- ▶ Soda Ash manufacturing experience of more than 25 years
- ▶ Flexible manufacturing facilities provides shifting possible between **dense and light soda ash**
- ▶ **The Gujarat advantage:**
 - ▶ 53% of India's manufacturing capacity of chemicals
 - ▶ Closer to sources of raw material, business friendly, good infrastructure

3.1MMT capacity in India....



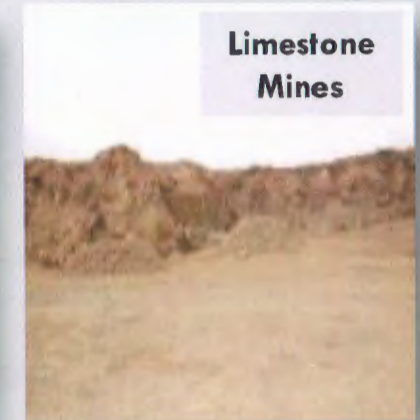
3.3MMT demand



Lowest cost of production in the industry

Captive control of raw material and fuel

- ▶ Captive control on fuel (largest cost component)
 - ▶ Only company having its own lignite mines
 - ▶ Ensures cost advantage in utilities
- ▶ Innovatively replaced imported met coke with in-house developed briquette coke
 - ▶ Briquette cost is lower than coke cost
- ▶ Other captive raw materials - salt and limestone
 - ▶ All limestone mines located within 40 km distance from the plant

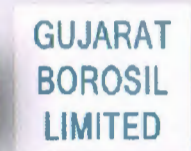
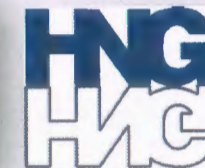


User Segment/Reputed companies being served

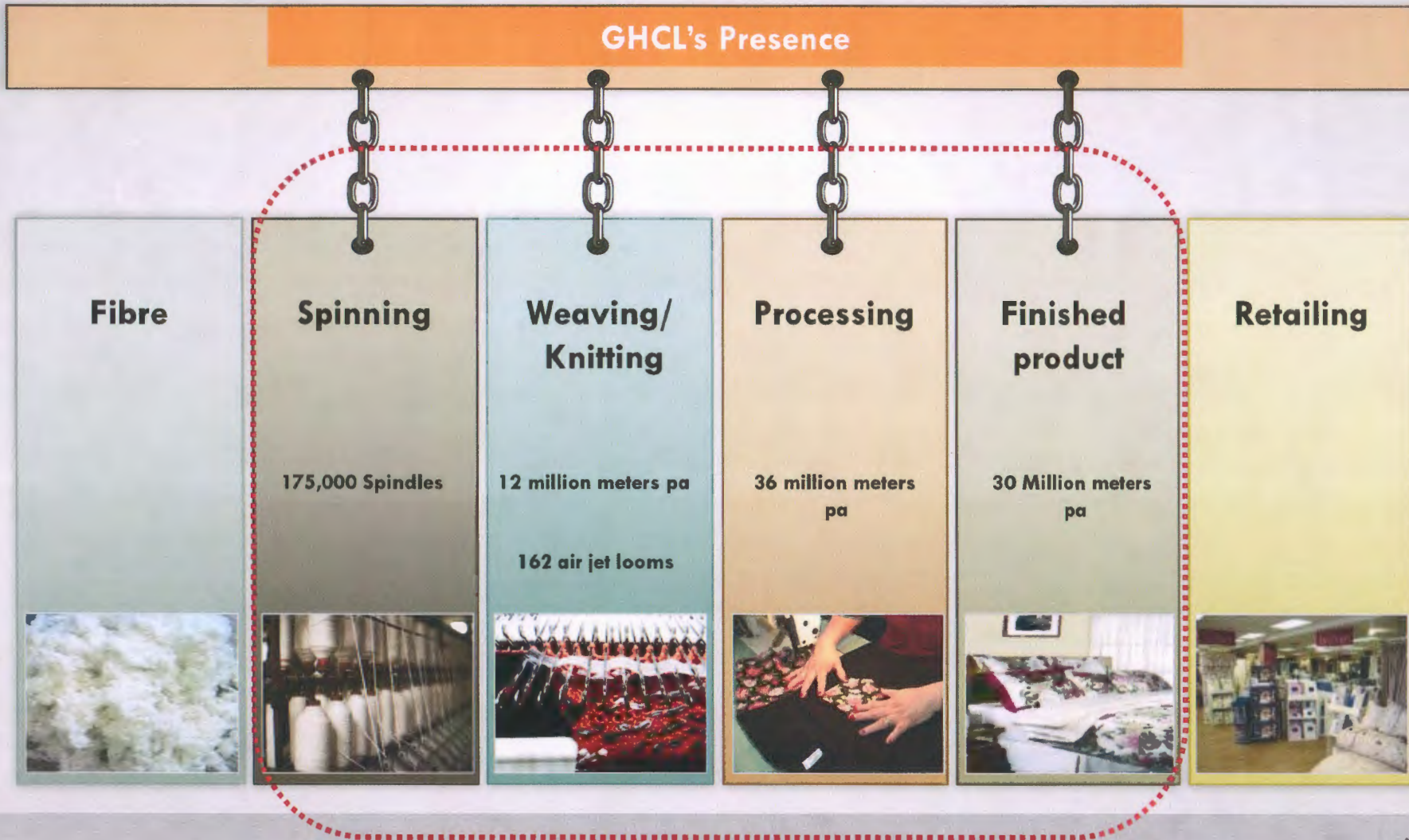
Soda Ash applications



...Some marquee clients



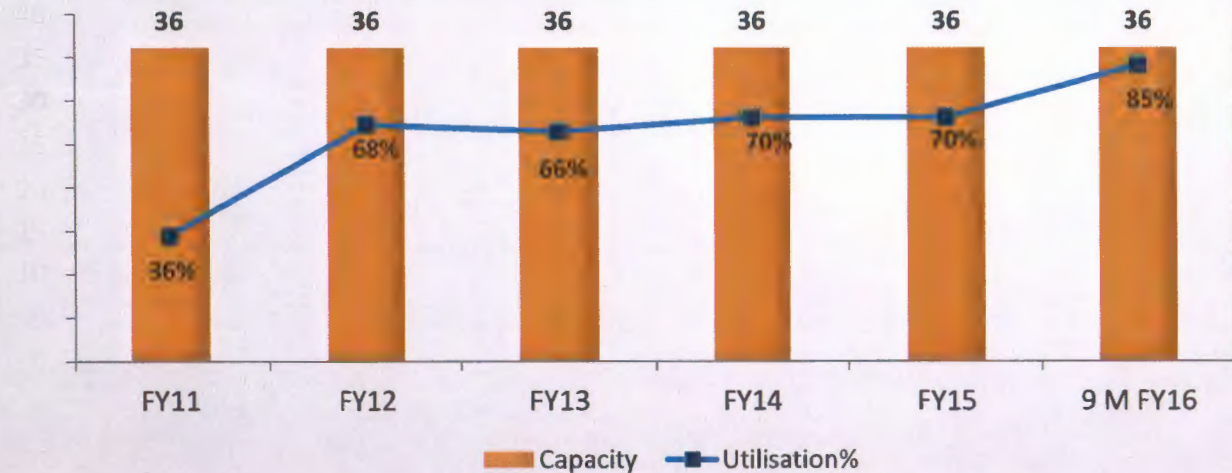
Presence across the textile value chain



State-of-the-art home textiles facility at Vapi

- ▶ Best of plants and equipment sourced from Germany and Japan - Beninger, Kuster, Monforts
- ▶ Flexibility to process both cotton and blended fabrics
- ▶ 36 mn meters of dyeing and printing capacity of wide width fabric; In-house weaving facility of 12 mn meters; Cut & Sew capability of 30 Mn meters

Home textiles - increasing capacity utilization



Product range

Sheeting

- ▶ Sheet
- ▶ Duvet
- ▶ Bed Skirt



Filled Articles

- ▶ Quilted Flat Sheets
- ▶ Comforter and Comforter Shells



Pillows

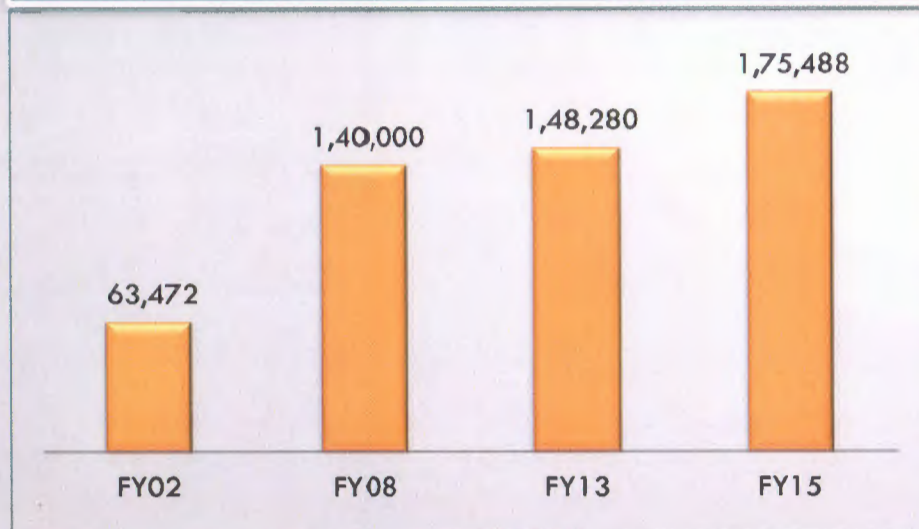
- ▶ Pillows
- ▶ Shams
- ▶ Cushions



Integrated with best in class spinning facility and captive power

- ▶ Installed one of the best yarn manufacturing facility in the country with compact spinning and valued added yarn capacity
- ▶ 50% of the capacity is for Compact Spinning
- ▶ In last 2 years, added 34,000 spindles and open end with 1000 rotors
- ▶ Installed 2 windmills of 4.2 MW in FY 15 followed by 6.3 MW installed in H1FY16 towards green energy initiative. 40% of power requirement met through this, which will further enhance to 55%

Spindles capacity



Boni



Supplying to marquee home textile customers

**BED BATH &
BEYOND**

HOUSE OF FRASER
SINCE 1849

Walmart 
Canada

Sears

JCPenney



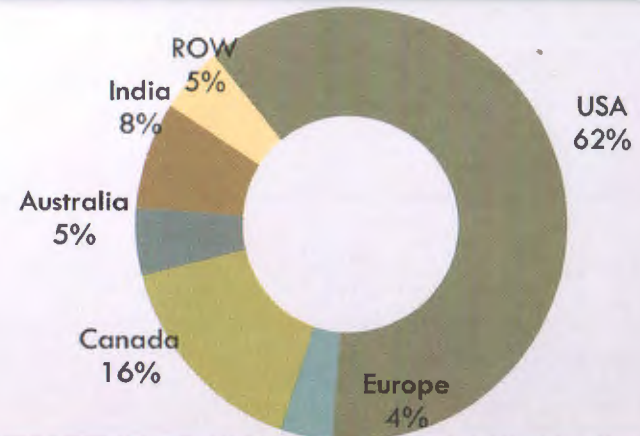
amazon.com

Gallery

Tuesday Morning

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

GHCL - Market mix



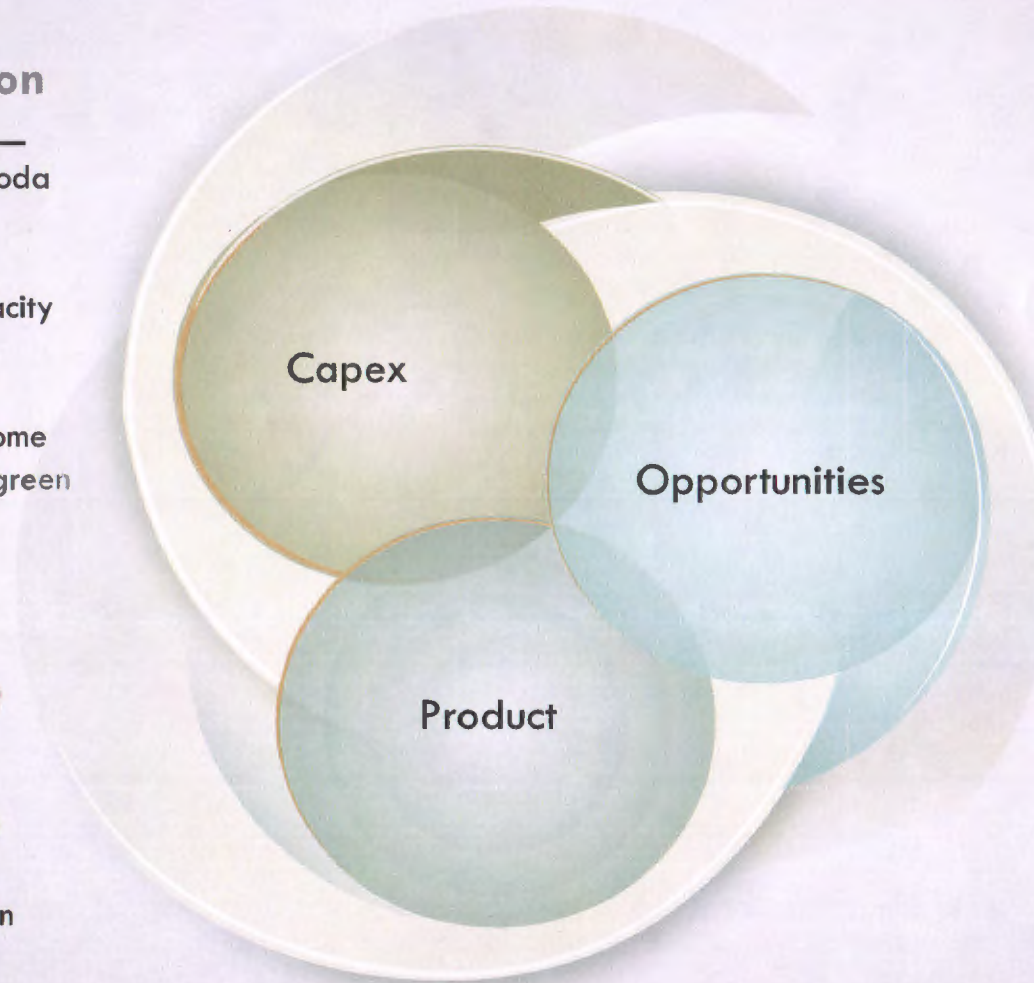
Well planned growth strategy across segments

Capex for expansion

- Capacity expansion in Soda ash by 1 lac MT
- Increase in stitching capacity
- De-bottlenecking of processing capacity in home textiles and investing in green energy

Product development

- Creating Value added products to cater niche client
- Continuous product innovation



New opportunities

- Venture into new global geography for home textiles
- Improve customer mix for better margins
- Capacity optimization to 100% in home textiles

For more information, please contact

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