

GROWTH

PERFORMANCE

SUSTAINABILITY



**39<sup>th</sup>**

Integrated Annual  
Report 2021-22

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# Company Information

## 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 (Textiles)

## Secretary

### Mr. Bhuvneshwar Mishra

Sr. General Manager - 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

1. Grace Home Fashions LLC
2. Dan River Properties LLC
3. GHCL Textiles Limited

## 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

## Plant - Home Textile Division

S. No. 191 & 192, Mahala Falia,  
Village - Bhilad, Distt. Valsad, Vapi,  
Gujarat - 396191  
[ Ownership -Till April 1, 2022]

## Wind Energy Division

Muppandal, Village: Irukandurai,  
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  
IDFC First Bank  
CTBC Bank  
Bank of Bahrain & Kuwait

## 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  
May 13, 2022, company will send  
digital copy of the annual report to  
its shareholders and physical copy  
on demand.



# GROWTH. PERFORMANCE. SUSTAINABILITY.

The theme for our Integrated Annual Report (IAR) FY 2021-22, “GROWTH. PERFORMANCE SUSTAINABILITY” reflects our commitment towards achieving long-term sustainable growth while taking full accountability and responsibility for our actions.

We endeavour to be responsive and accountable for environmental stewardship as we proactively perform our business commitments, guarantee transparency and nurturing integrity in our internal operations. We are fully committed to grow financially, perform better, and create value for all our stakeholders sustainably.

We believe in the philosophy of

“सर्वे भवन्तु सुखिनः  
सर्वे सन्तु निरामयाः।  
सर्वे भद्राणि पश्यन्तु  
मा कश्चिद् दुःख भाग  
भवेत् ॥”

And our endeavour is to operate our business that leads to value creation of all our stakeholders.



We anticipate even more opportunities and growth ahead as we have taken a new business approach by embracing the needs of our employees, communities and the environment and achieve competitive differentiation.

We acknowledge the ever-changing scenarios and demonstrates resilience to create a sustainable future wherein, sustainability resides at the core of our vision, values, and corporate culture. We consider that by acting responsibly, accepting ownership for our actions,

and responding to the needs of our stakeholders, such as communities, suppliers, and other stakeholders, we can successfully build a more resilient tomorrow. We believe that organizations can accomplish sustainable corporate growth when governance, risk management, and sustainability all work together as a unit. We endeavour to build business strategies, maintain our commitment to our stakeholders, improve our health and safety performance, and have a valuable influence on the environment and society at a large.



# About the report

**We are pleased to present GHCL's 39th Annual Report for the FY 2021-22. The report gives a comprehensive overview of the Company's observation on business, governance, risk management, sustainable initiatives, financial and non-financial performance. This report is intended to provide a clear picture to our stakeholders of how we are striving to accomplish our objective of embedding growth, sustainability, and responsibility into our business strategy.**

This edition of the report has been developed in compliance with the Integrated Reporting <IR> framework issued by the International Integrated Reporting Council (IIRC) while continuing our commitment to demonstrate in-depth, transparent, and balanced quantitative and qualitative disclosures reflecting on our enhanced performance. We believe in pursuing a focused leadership and business strategy which would help to deliver

operational excellence across all our divisions complemented by our Sustainability Vision 2023. Our reports continue to evolve towards an enhanced approach to accomplish our long-term sustainable growth along with reinforcing trust in stakeholder value and return on investment. Going forward, we have accentuated our approach to business beyond the usual by incorporating the value provided by our Company through six capitals.

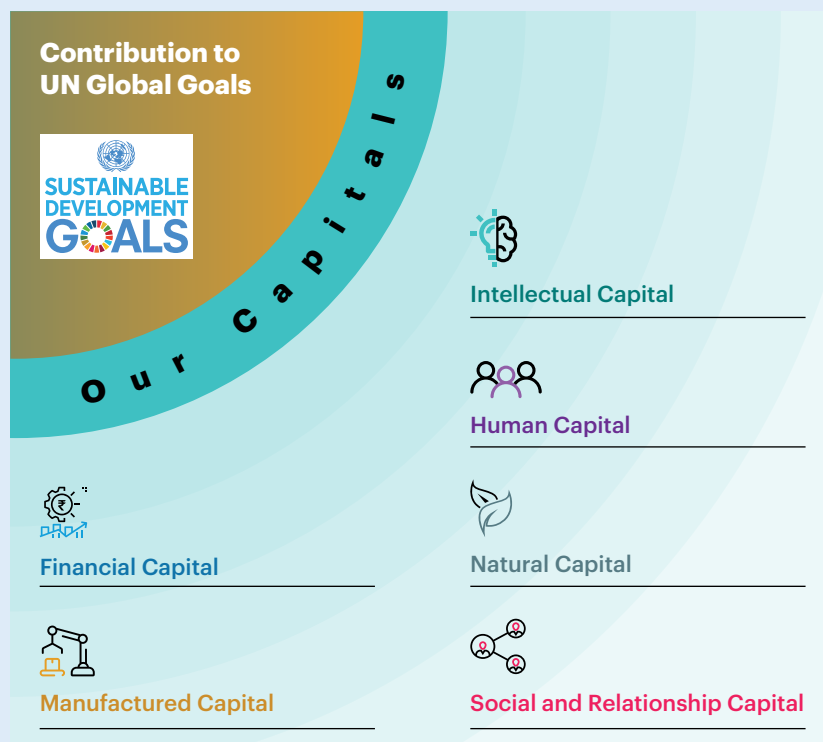
The reporting period for our IAR is from 1st April 2021 to 31st March 2022. The report covers the information of GHCL's sites that manufacture Soda Ash, Yarn, and Consumer Products Division. In addition to the manufacturing facilities, the employee data also covers our corporate office at Noida and marketing offices located across the country.

## Scope and Boundary

The reporting period for this year's IAR is from 1st April 2021 to 31st March 2022. As an update from last year, the current report covers the environmental, social, governance, human resource, safety, and other miscellaneous information of GHCL's sites namely Soda Ash, Yarn and Consumer Products Division. Information pertaining to Home textile division which has been sold out, has been excluded.

In the report, the employees' data covers our manufacturing sites, corporate office Noida and marketing offices located across the country.. However, the Corporate Social Responsibility (CSR) data includes the beneficiary of Home textile division as well.

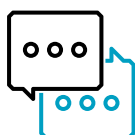
All financial figures are related to continued operations of the Company.



### Assurance for FY 2021-22

The audit report on financial statements has been provided by independent auditors S. R. Batliboi & Co. LLP and assurance on non-financial statements by Ernst & Young Associates LLP.

In accordance with the Companies Act, 2013 (including the rules made thereunder), the Board of Directors of GHCL approved the appointment of Dr. S Chandrasekaran, representing Chandrasekaran & Associates, Practicing Company Secretaries, New Delhi as the Secretarial Auditors and M/s R J Goel & Co. Cost Accountants, New Delhi as Cost Auditors of the GHCL Limited.



### Suggestions and feedback

Please email to [corpcommunication@ghcl.co.in](mailto:corpcommunication@ghcl.co.in) to share your thoughts, suggestions and/or feedback on the report. GHCL would appreciate your comment and feedback on its report and performance.

### Forward Looking Statements

Several assertions in this IAR about our business operations could be considered forward-looking statements that involve risks and uncertainties. Words like "anticipate," "believe," "estimate," "intend," "will," "anticipated," and other similar expressions, when used in connection with the Company or its businesses, are intended to identify forward-looking statements, whether because of new information, future events, or otherwise. The actual results, performances or achievements, and risks and opportunities could differ materially from those expressed or implied in such forward-looking statements. Important factors that might 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 governmental regulations, labour negotiations, tax laws, and other statutes, economic development within India and the countries within which the Company conducts its businesses and other incidental factors such as the repercussions of a global pandemic that the world witnessed throughout a major portion of FY 2021-22. 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.

# Chairman's Message



**We are positive that we shall continue to be a robust driver of revenue and profitability supported by our strong team of professionals.**

## Dear Shareholders,

FY 22 was year that witnessed an abrupt transformation of the world. The conflict all over Europe affected the post COVID recovery of world economies, shook global supply chains, reduced growth forecasts and increased inflation levels. Furthermore, uncertainty about the fourth wave and virus mutations have increased risks towards future growth worldwide. Climate change and its impact is already alarming. If humanity doesn't act now to stop greenhouse gas emissions, major cities will be underwater, unprecedented heat waves will define summers, terrifying storms will become more frequent, and millions of plant and animal species will go extinct.

All this volatility has brought with it many uncertainties and exposed organisations to the inevitability of change. Our strategy to navigate through these uncertain times has been to concentrate on and continue doing what we are good at. It was in January this year that we decided to divest out Home textiles business and demerge the Chemicals and Yarn businesses. Our focus continues to be on outperforming

our competitors in our core business of Chemicals and Yarn. Going forward, we will be investing in initiatives such as Greenfield project, product basket expansion, clean energy and ESG initiatives, and automation. Within each business we shall focus on digitisation, customer centricity, and governance and sustainability measures. These initiatives will help us reduce risks and create value for our stakeholders.

Our investments in renewable energy and modernisation and expansion of our businesses will give us better leverage going forward. Last quarter, we commissioned two 10 MW each on-grid solar power projects in Tamil Nadu. These will be followed by an additional 20 MW Solar power project for captive use. Once commissioned, we will be fulfilling almost 85% of the energy requirement from renewable resources.

In FY22 demand for soda ash stayed strong globally. This was mostly due to a revival of the economy post COVID as well as a strong demand for solar glass. Our Revenue has increased by 51.67% on year-on-year basis. EBITDA has significantly increased by 60.14% as compared to last year. The spinning business is facing certain headwinds, due to high cotton prices. However, we believe that the demand situation will improve going forward. The China+1 strategy, the situation in Sri Lanka and Pakistan and likely FTAs with UK and Europe have the potential to positively impact demand.

Dear Shareholders, as the Chairman of the Board of Directors of GHCL, I am proud to share that your company has been certified as a "Great Place to Work" for the sixth year in a row and was among top 30 Best Workplaces in the Manufacturing sector. We were awarded the CII HR EXCELLENCE AWARD with a "Commendation for Strong Commitment to HR Excellence". We won the Gold award by International Research Institute of Manufacturing (IRIM) and were 1st Runners up - Mega Large Business, Process Sector Frost & Sullivan and TERI Sustainability 4.0 Awards 2021. I am indeed proud of these achievements which are a testimony of our core strengths, what we

stand for, and the value we bring to our stakeholders.

Over the years, we have been consistent in our pay out and as a token of gratitude for your support this year too, a dividend of Rs. 15/- per equity share has been announced.

Dear Shareholders, the volatility in the business environment during the past two years has made us realise the importance of being adaptable and agile, of understanding our core competencies and ensuring them to generate the desired value for our stakeholders. We learnt from adversity, we transformed quickly, adapted new technologies and ways of doing business. We increased our focus on modular expansion, debottlenecking, creating a diversified product basket and backward integration of raw material supplies. We also benefited from our focus on product market expansion and value added products. Going forward, we are certain that our investments in the renewable energy portfolio and modernisation and expansion of the businesses will give us better leverage.

We are positive that we shall continue to be a robust driver of revenue and profitability supported by our strong team of professionals. It gives me a lot of confidence when I see the agility and resilience that the team demonstrated in the face of all this unprecedented volatility. In the last couple of years, we made proactive investments in our people, our processes, operations and technologies to deliver a strong operational performance. The year ahead, promises its own set of challenges. However, with the potential and determination of our people, we are confident that we shall grow our Business Responsibly, with Governance, Sustainability and Core Values as our Foundation.

With this, I would like to thank all our customers, partners, shareholders and investors for their continued support, partnership and invaluable contribution.

**Sanjay Dalmia**  
Chairman



# Accomplishments in FY 2021-22



## Financial Capital

INR **574.47** Crores

Profit After Tax

INR **3778.36** Crores

Total Revenue



## Manufactured Capital

**1,50,000** MTPA

Raw salt manufacturing, one of the largest in India from Consumer product division.

**349.86** INR Crores

Capital expenditure



## Intellectual Capital

**1,705**

Kaizens implemented



## Human Capital

**32.8%**

Female workforce representation

**6<sup>th</sup>**

Consecutive year as Great Place to Work



## Natural Capital

**42%**

Power requirement of Yarn division is met through renewable energy

**24%**

Reduction in specific water consumption since FY'19



## Social and Relationship Capital

**10.62** INR Crores

Contributed to CSR

**79%**

Vendors engaged are local to the area

# Honors and Awards



Received Great Place to Work Award for the 6th consecutive year



Frost & Sullivan and TERI Sustainability 4.0 Awards 2021



Great Place to Work Awards-Category Awards 2021-22



GHCL Foundation Trust received Mahatma Award 2021 under CSR Excellence and Sustainability Categories