



# GHCL Limited

Regd. Office: GHCL House, Opp. Punjabi Hall, Near Navrangpura Bus Stand, Navrangpura, Ahmedabad - 380 009, Gujarat

(₹ in Lacs)

(₹ in Lacs)

## REVIEWED UNAUDITED FINANCIAL RESULTS (STANDALONE) FOR THE QUARTER ON 30TH SEPTEMBER, 2011

| Sr. No. | Particulars   | Quarter Ended   |                 | Half Year Ended  |                  | Year Ended       |
|---------|---|-----------------|-----------------|------------------|------------------|------------------|
|         |   | 30.09.2011      | 30.09.2010      | 30.09.2011       | 30.09.2010       | 31.03.2011       |
|         |   | Unaudited       |                 |                  |                  | Audited          |
| 1       | Net Sales / Income from Operations  | 46,483.73       | 33,642.46       | 87,026.15        | 67,734.19        | 149,663.31       |
| 2       | <b>Expenditure:</b>   |                 |                 |                  |                  |                  |
| a)      | (Increase) / Decrease in stock  | (41.80)         | (698.31)        | (1,534.46)       | (2,250.12)       | (2,514.66)       |
| b)      | Consumption of Raw Materials  | 20,665.37       | 13,609.13       | 37,476.51        | 26,145.32        | 59,361.42        |
| c)      | Purchase of Trading Goods   | 3,357.93        | 169.98          | 3,662.32         | 287.52           | 1,855.90         |
| d)      | Employees Cost  | 2,490.99        | 2,292.22        | 4,924.76         | 4,546.84         | 9,567.38         |
| e)      | Power, Fuel and Water   | 6,459.22        | 6,050.12        | 12,370.05        | 11,220.99        | 22,790.82        |
| f)      | Depreciation  | 2,029.38        | 2,042.81        | 4,034.28         | 4,062.25         | 8,439.56         |
| g)      | Other Expenditure   | 7,351.62        | 5,886.90        | 13,680.30        | 11,775.92        | 25,103.30        |
|         | Total Expenditure   | 42,312.71       | 29,352.85       | 74,613.76        | 55,788.72        | 124,603.72       |
| 3       | <b>Profit From Operations before Other Income, Interest &amp; Exceptional Items (1-2)</b> | <b>4,171.02</b> | <b>4,289.61</b> | <b>12,412.39</b> | <b>11,945.47</b> | <b>25,059.59</b> |
| 4       | Other Income  | 379.74          | 107.55          | 459.79           | 459.30           | 951.19           |
| 5       | <b>Profit before Interest, Exchange Impact &amp; Exceptional Items (3+4)</b>              | <b>4,550.76</b> | <b>4,397.16</b> | <b>12,872.18</b> | <b>12,404.77</b> | <b>26,010.78</b> |
| 6       | Interest  | 3,407.84        | 2,728.89        | 6,926.04         | 5,739.49         | 11,043.48        |
| 7       | <b>Profit before Exchange Impact &amp; Exceptional Items (5-6)</b>                        | <b>1,142.92</b> | <b>1,668.27</b> | <b>5,946.14</b>  | <b>6,665.28</b>  | <b>14,967.30</b> |
| 8       | Exchange Gain / (Loss)  | 90.18           | 769.63          | 671.85           | 80.16            | 532.21           |
| 9       | Profit after Interest but before Exceptional Items (7+8)                                  | 1,233.10        | 2,437.90        | 6,617.99         | 6,745.44         | 15,499.51        |
| 10      | Exceptional Items   | -               | -               | -                | -                | -                |
| 11      | <b>Profit before tax (9+10)</b>   | <b>1,233.10</b> | <b>2,437.90</b> | <b>6,617.99</b>  | <b>6,745.44</b>  | <b>15,499.51</b> |
| 12      | Tax expenses  | -               | 137.02          | 621.17           | 137.02           | 3,866.97         |
| 13      | Net Profit after tax (11-12)  | 1,233.10        | 2,300.88        | 5,996.82         | 6,608.42         | 11,632.54        |
| 14      | Paid Up Equity Share Capital (face value of Rs.10/- each)                                 | 10,001.93       | 10,001.93       | 10,001.93        | 10,001.93        | 10,001.93        |
| 15      | Reserve excluding Revaluation Reserve   |                 |                 |                  |                  | 25,586.33        |
| 16      | EPS - Before & after Extraordinary items (Rs.)  |                 |                 |                  |                  |                  |
|         | Basic   | 1.25            | 2.26            | 6.01             | 6.57             | 11.77            |
|         | Diluted   | 1.25            | 2.13            | 6.01             | 5.76             | 11.20            |
| 17      | Public Shareholding   |                 |                 |                  |                  |                  |
|         | - Number of Shares  | 82,476,002      | 81,759,417      | 82,476,002       | 81,759,417       | 82,975,017       |
|         | - Percentage of Shareholding  | 82.46           | 81.74           | 82.46            | 81.74            | 82.96            |
| 18      | Promoters and promoter group Shareholding   |                 |                 |                  |                  |                  |
| a)      | Pledged / Encumbered  |                 |                 |                  |                  |                  |
|         | - Number of Shares  | 349,400         | 1,605,000       | 349,400          | 1,605,000        | 349,400          |
|         | - Percentage of Shares (as a % of the total shareholding of promoter & promoter group)    | 1.99            | 8.79            | 1.99             | 8.79             | 2.05             |
|         | - Percentage of Shares (as a % of the total share capital of the company)                 | 0.35            | 1.60            | 0.35             | 1.60             | 0.35             |
| b)      | Non - encumbered  |                 |                 |                  |                  |                  |
|         | - Number of Shares  | 17,193,884      | 16,654,869      | 17,193,884       | 16,654,869       | 16,694,869       |
|         | - Percentage of Shares (as a % of the total shareholding of promoter & promoter group)    | 98.01           | 91.21           | 98.01            | 91.21            | 97.95            |
|         | - Percentage of Shares (as a % of the total share capital of the company)                 | 17.19           | 16.66           | 17.19            | 16.66            | 16.69            |

## Segment wise Revenue, Results and Capital Employed under Clause 41 of the Listing Agreement

| Sr. No. | Particulars                            | Quarter Ended     |                   | Half Year Ended   |                   | Year Ended        |
|---------|--|-------------------|-------------------|-------------------|-------------------|-------------------|
|         |  | 30.09.2011        | 30.09.2010        | 30.09.2011        | 30.09.2010        | 31.03.2011        |
|         |  | Unaudited         |                   |                   |                   | Audited           |
| 1       | <b>Segment Revenue</b>                 |                   |                   |                   |                   |                   |
| 1.a     | Inorganic Chemicals                    | 27,099.09         | 21,141.07         | 53,440.31         | 43,185.04         | 92,455.45         |
| 1.b     | Home Textiles                          | 19,384.64         | 12,385.23         | 33,585.84         | 24,422.30         | 57,053.10         |
| 1.c     | Others / Un-allocated                  | -                 | 116.16            | -                 | 126.85            | 154.76            |
|         | <b>Total Revenue</b>                   | <b>46,483.73</b>  | <b>33,642.46</b>  | <b>87,026.15</b>  | <b>67,734.19</b>  | <b>149,663.31</b> |
| 2       | <b>Segment Results</b>                 |                   |                   |                   |                   |                   |
|         | Operating Profit before Interest & Tax |                   |                   |                   |                   |                   |
| 2.a     | Inorganic Chemicals                    | 4,729.83          | 3,995.21          | 12,997.49         | 10,259.89         | 22,308.71         |
| 2.b     | Home Textiles                          | 198.52            | 1,284.80          | 1,118.55          | 2,666.48          | 5,396.62          |
| 2.c     | Others / Un-allocated                  | (1.37)            | 37.12             | (2.86)            | (24.73)           | (74.94)           |
|         | <b>Total Segment Results</b>           | <b>4,926.98</b>   | <b>5,317.13</b>   | <b>14,113.18</b>  | <b>12,901.64</b>  | <b>27,630.39</b>  |
|         | Interest Expenses                      | (3,407.84)        | (2,728.89)        | (6,926.04)        | (5,739.49)        | (11,043.48)       |
|         | Un-allocated Expenditure               | (286.05)          | (150.34)          | (569.15)          | (416.71)          | (1,087.40)        |
|         | <b>Profit Before Tax</b>               | <b>1,233.09</b>   | <b>2,437.90</b>   | <b>6,617.99</b>   | <b>6,745.44</b>   | <b>15,499.51</b>  |
| 3       | <b>Capital Employed</b>                |                   |                   |                   |                   |                   |
| 3.a     | Inorganic Chemicals                    | 71,466.72         | 68,073.53         | 71,466.72         | 68,073.53         | 68,174.79         |
| 3.b     | Home Textiles                          | 39,553.53         | 45,361.27         | 39,553.53         | 45,361.27         | 41,757.30         |
| 3.c     | Others / Un-allocated                  | 23,916.41         | 20,751.22         | 23,916.41         | 20,751.22         | 17,627.76         |
|         | <b>Total Capital Employed</b>          | <b>134,936.66</b> | <b>134,186.02</b> | <b>134,936.66</b> | <b>134,186.02</b> | <b>127,559.85</b> |

### Notes:

- The above results were reviewed by the Audit Committee on October 19, 2011 and were approved and taken on record by the Board of Directors in their meeting held on October 20, 2011. Further, in accordance with the requirements of Clause 41 of the Listing Agreement with the Stock Exchange, the Statutory Auditors have carried out Limited Review and the review report has been approved by the Board.
- In the Textile Business of the Company, the Made-Ups (Home Textiles) Business has been growing significantly quarter on quarter and has done exceedingly well both in terms of volume growth and profitability as compared to corresponding period of last year. However, the yarn business has underperformed substantially which is largely due to unprecedented volatility in both cotton and yarn prices which has affected the spinning industry all over the country. This has adversely affected the overall profitability of textile business.
- Statement of Assets & Liabilities under Clause 41 of the Listing Agreement.

| Particulars                         | Standalone         |                    |
|-------------------------------------|--------------------|--------------------|
|                                     | Half Year Ended    |                    |
|                                     | 30.09.2011         | 30.09.2010         |
| Unaudited                           |                    |                    |
| <b>SHAREHOLDERS' FUNDS:</b>         |                    |                    |
| (a) Share Capital                   | 10,001.93          | 10,001.93          |
| (b) Reserve & Surplus               | 97,067.07          | 1,13,997.02        |
| <b>LOAN FUNDS</b>                   | <b>1,33,298.83</b> | <b>1,20,308.92</b> |
| <b>DEFERRED TAX LIABILITY (NET)</b> | <b>17,119.44</b>   | <b>13,411.12</b>   |
| <b>Total</b>                        | <b>2,57,487.27</b> | <b>2,57,718.19</b> |

| Particulars                                     | Standalone         |                    |
|---|--------------------|--------------------|
|   | Half Year Ended    |                    |
|   | 30.09.2011         | 30.09.2010         |
| Unaudited                                       |                    |                    |
| <b>FIXED ASSETS</b>                             | <b>1,92,032.85</b> | <b>1,99,872.31</b> |
| <b>INVESTMENTS</b>                              | <b>2,492.59</b>    | <b>3,867.84</b>    |
| <b>CURRENT ASSETS, LOANS AND ADVANCES</b>       |                    |                    |
| (a) Inventories                                 | 31,631.39          | 26,625.55          |
| (b) Sundry Debtors                              | 22,029.05          | 15,023.32          |
| (c) Cash and Bank Balances                      | 3,879.93           | 3,478.61           |
| (d) Loans and Advances                          | 39,988.84          | 33,999.75          |
| <b>Less: CURRENT LIABILITIES AND PROVISIONS</b> |                    |                    |
| (a) Current Liabilities                         | (34,567.38)        | (25,126.70)        |
| (b) Provisions                                  | -                  | (22.49)            |
| <b>MISCELLANEOUS EXPENDITURE</b>                |                    | <b>0.80</b>        |
| (to the extent not written off or adjusted)     |                    |                    |
| <b>Total</b>                                    | <b>2,57,487.27</b> | <b>2,57,718.19</b> |

- As per the company policy, the provision for Deferred Tax, if any, will be made at the year end.
- The Company's ESOS plan is administered by ESOS trust which purchased shares of the company from the market to grant stock options to eligible employees. The market value, as on 30th Sept 2011, of the shares held by the ESOS trust is lower than the cost of acquisition of these shares by ₹ 5,547 lacs. The fall in value of the underlying equity shares is on account of market volatility.
- The unrealized foreign exchange Gain/Loss on monetary items for the quarter and subsequent quarters shall be accounted for at the year end instead of accounting the same on quarterly basis.
- No provision has been made on the outstanding guarantee of ₹ 19,592 Lakhs pertaining to Rosebys (UK), which shall be accounted for in subsequent year (s) upon reasonable certainty as the amount of the same cannot be quantified as on date and the same shall be adjusted against Business Development Reserve. The above point nos 6 and 7 are in response to the Auditors' observations in Limited Review Report.
- During the quarter, the company has voluntarily wound up a non-operating Step down subsidiary "GHCL International Inc," in USA.
- The corresponding period figures are regrouped / reclassified wherever necessary.
- There were no investors' complaints pending at the beginning of the quarter. During the quarter, the Company had received 73 complaints from the investors and the same were disposed off. There were no complaints lying unresolved at the end of the quarter.

ISO 9001 ISO 14001 OHSAS 18001



New Delhi  
October 20, 2011

A Dalmia Brothers Enterprise

For GHCL Limited  
R. S. JALAN Managing Director  
RAMAN CHOPRA Executive Director (Finance)