

GHCL Limited
Transcript of 38th Annual General Meeting
June 19, 2021
10.00 am to 11.15 am

Participants present through VC:

Mr. Sanjay Dalmia
Chairman of the Company

Mr. Anurag Dalmia
Vice Chairman of the Company

Dr. Manoj Vaish
Independent Director

Mrs. Vijaylaxmi Joshi
Independent Director

Justice Ravindra Singh
Independent Director

Mr. Arun Kumar Jain
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)

Mr. Bhuwneswar Mishra
Sr. GM-Sustainability & Company Secretary

Mr. Manish Jain
Statutory Auditor: Representing M/s S. R. Batliboi & Co. LLP, Chartered Accountants

Dr. S. Chandrasekharan

Secretarial auditor: Representing M/s Chandrasekharan Associates, Company Secretary

Scrutinizer: Manoj Hurkat, Practicing Company Secretary

Bhuvneshwar Mishra, Company Secretary

Welcome Address to Shareholders

Dear members and respected members of the boards, I on behalf of the company welcome you to the 38th annual general meeting of the company. The time by clock is 10:00 am, adequate members are personally present through video conferencing to form the quorum hence the meeting in order. As per circulars issued by the ministry of corporate affairs and the securities and exchange board of India and to maintain social distancing due to covid-19 listed companies are permitted to have their AGM through video conferencing or other audio visual means. Your company has obtained services of CDSL to provide facilities for conducting 38th AGM through video conferencing and also providing e-voting facilities during the 38th AGM.

I would like to announce that Shri Sanjay Dalmia, Chairman of The Board, Shri Anurag Dalmia, Vice Chairman and also Chairman of CSR committee, Dr. Manoj Vaish, Chairman of audit Committee, Smt. Vijaya Laxmi Joshi, Chairman of Nomination and Remuneration Committee, Shri A.K Jain, Chairman of Risk Management Committee and Stakeholders Relationship Committee are present in the meeting through video conferencing. I would also like to announce that Shri R.S. Jalan, Managing Director, Shri Raman Chopra, CFO and Executive Director (Finance), Shri Neelabh Dalmia, Executive Director (Textiles), Justice Ravindra Singh, Member of the Audit Committee and NRC Committee and Dr. Lavanya Rastogi, Independent Director are also present in the meeting through video conferencing.

I would also like to announce that representative of S.R BATLIBOI, Statutory Auditor, Dr. S. Chandrasekharan, secretarial auditor and Mr. Manoj Hurkat, Scrutinizer appointed by the board are also present in the meeting through video conferencing.

Chairman of the board will act as a chairman of this meeting. With the permission of the chairman I would like to make announcement in relation to statutory requirements. Notice dated April 28, 2021 of the AGM has been circulated to the members and is set out on the page number 84, 294 of the annual report 2021. With the permission of the members it is consider as read. Balance sheet as at 31st march 2021 along with all required annexures and attachments are placed and lead before this meeting. The registers of the directors and key managerial personnel and their shareholding, registers of contracts and arrangements in which directors are interested, certificates from the auditors of the company under SEBI (share based employees benefit) regulation, 2014 and all documents referred to in the notice and explanatory statement are available at the registered office of the company for electronic inspection. Member seeking to inspect such documents can send to an email to secretarial@ghcl.co.in.

Boards report dated April 28, 2021 including business responsibility report, MDA and integrated report are made part of the annual report and circulated to members. With the permission of members, it is considered as read.

Corporate governance report along with auditor's certificate on corporate governance is presented on page number 164 to 205 of the annual report 2021 and circulated to the members. With the permission of the members, it is considered as read.

Secretarial audit report is presented on page no. 201 to 203 of the annual report and circulated to the members. With the permission of the members, it is considered as read.

Independent auditors report dated April 28, 2021 related to audit of standalone financial statement is presented on page no. 207 to 215 of the annual report is placed before the meeting. Independent auditors report dated April 28, 2021 related to audit of consolidated financial statement is presented on page no. 298 to 303 of the annual report is placed before the meeting. Section 145 of the Companies Act, 2013 required reading of auditor's qualifications, observations or comment which has adverse effect on the functioning of the company before the AGM. I would like to inform that auditor report in the matter of your company is free from any qualifications and observations hence need not require to be read before the AGM and can be taken as read.

Chairman sir, the announcement relating to statutory requirements are now completed. I would request to chairman sir to please address to the forum.

Sanjay Dalmia, Chairman of the Meeting

Chairman's Speech

My colleagues shareholders and my colleagues member of the board and my colleagues who are part of the management of this company, I am so glad that I just talking to before we started with one of our colleague about the stock market. The stock market going up in spite of covid and all that which shows soothing when is net Indian people are very very much confident of our economy and that is why they are investing in it. Apart from Indian people even outsiders are confident of our economy and that is why they are also investing. They find investment in India, Indian economy, industries or whatever is good thing for them. So that is the general scenario economy usually well. Once further unlocking etc. happens on over things will start. We will gather further momentum. तो ये खुशी की बात है की जो हमने आत्मनिर्भर भारत की बात की थी वो हसी मजाक नहीं था वो बहुत सीरियस चीज थी और उसपे अमल हो रहा है और उसपे भारत की जनता को विश्वास है, कि आत्मनिर्भर भारत बनाना है सब इसके लिए प्रतिबद्ध है। तो खुशी की बात है जहान तक अपनी कंपनी है, हम भी उसी का हिस्सा है इकॉनमी की, मेरी इकॉनमी अच्छी होगी तो मेरी कंपनी भी अच्छी चलेगी। मेरी इकॉनमी अच्छी हो रही है। कोविड वगेरा ने जो थोड़ा बहुत नीचे किया है उसके बावजूद जीडीपी को बहुत कम नहीं किया है, जो रिजर्व बैंक का अभी आया है सर्वे और बहार का भी सर्वे आया है, पर अगर जल्दी लोकडाउन खुल जाता है और इसमें momentum आता है तो हो सकता है कि हम डबल डिजिट में भी हो जाएं। मैं यह नहीं कह रहा हूँ कि हो जाएंगे लेकिन

हो जा सकता है। I won't be surprise and then there is nothing to look back that is what I feel. we will in making process leaps and bound ये मेरा मनना है। हमारी कंपनी जो है उसका परिणाम सबने देख लिया है आप सब के पास है हम लोगो ने अच्छा काम किया है, शिकायतों के बावजूद और इस साल में 2021-22 में और भी बेहतर होना चाहिए unless कोई प्रकर की चीजें आजायें इन in spite of covid... लोक डाउन खुलने लगा है तो और भी बेहतर होना चाहिए। बहुत चीजों में जैसे हम लोग प्लांट का विस्तार कर रहे हैं, ये भी आपलोगों को मालुम है हमलोगों का spinning, cotton, textiles etc. ये भी अच्छा चल रहा है। तो इसमे भी हमलोगों का काम है, इसको भी हमलोग और ऊंचा ले जाएंगे। We should be one of the good important player in this spinning, cotton and synthetic etc. value added. Chemicals मे भी बात चल है की कौनसे chemicals हम इसमे जोड़ेंगे। एकाध chemicals है अभी तो उसको कैसे जोड़ेंगे। जहां तक Home Textiles की बात है पहले से better है पर इसमे कुछ decision लिए गए है की इसको दो company कर दी जाए एक chemical Soda Ash और एक Home Textile रहेगा तो इसमे भी बात चल रही है और जल्दी ही इसपे result भी अजाएगा जो भी प्रक्रिया वो करनी पड़ती है वो करेंगे। तो मुझे इतना ही कहना था , मुझे पूरा विश्वास है की आप सब जहां पे ही हैं , कामना करते है की आप सब स्वस्थ होंगे और आगे भी स्वस्थ रहेंगे और इसी तेरह आप company मे पूरा विश्वास रखते हुये company के साथ जुड़े रहेंगे, ये मुझे कहना है।

Jai Bharat Maa.

Bhuwleshwar Mishra, Company Secretary

Thank you very much sir.

With the permission of chairman, I would like to take up the item of the agenda. However before taking the agenda, I would like to state that pursuant to the provision of Companies act, 2013 read with rule 20 of the companies (management and administration) rule, 2014 and listing regulation, company has provided remote e-voting facilities in respect of resolutions listed in the notice to the meeting. The members present in the meeting through video conferencing or any other audio visual means and not voted remotely through CDSL platform has provided by the company have one more opportunity to cast their vote through e-voting during the course of this AGM. We would like to inform that the remote e-voting facilities was close at 5.00 PM Yesterday i.e. June 18, 2021. Hence after the meeting through electronic voting system during the course of this AGM is over the scrutinizer shall follow the process for the preparing the result. Members present in the meeting and who have already voted during the remote e-voting period are requested to refrain from voting Once again through electronic voting system during the course of this AGM. The Entire agenda item will be taken by e-voting and board of director have appointed Mr. Manoj Hurkat practicing company secretary as a scrutinizer for the entire voting process conducted through electronic voting system of CDSL.

The scrutinizer has inform that the voting process through the CDSL e-voting platform has been again enabled for casting vote during this AGM by those shareholders who could not earlier cast their vote through remote e-voting process.

Now I would like to take up the agenda items. Sir item no. 1 is an ordinary resolution which is related to adoption of audited financial statement including consolidated financial statements of the company for the financial year ended March 31st, 2021 and is circulated with the notice. This ordinary resolution is presented in the notice as an item no. 1 on page no. 84 of the annual report.

The resolution as proposed may be taken as read and is being formally put to e-voting. For the purpose for administrative convenience the questions, views, feedback received from the members on the financial statements of the company for the financial year 2020-2021 will be replied after completion of all the agenda items. The managing director is authorised by the chairman to respond to the question already received through email. If so desired the members made is further queries by using the chat box facilities in the panel on the screen from which they are participating to the 38th AGM through VC.

Sir, item no. 2 is an ordinary resolution which is related to declaration of dividend for the financial year ended March 31st, 2021 and is circulated with the notice. This ordinary resolution is presented in the notice as an item no. 2 on page no. 84 of the annual report. This resolution as proposed may be taken as read and is being formally put to voting.

I would like to inform that chairman sir now you are interested in the resolution no. 3 and therefore kindly appoint Dr. Manoj Vaish as chairman of audit committee as a chairman for this meeting.

Sanjay Dalmia, Chairman of Meeting

मनोज जी शुरू करियो।

Dr. Manoj Vaish, Chairman for item no. 3.

Thank you Mr. Chairman, I advise company secretary to proceed with the agenda item.

Bhwneshwar Mishra, Company Secretary

Thank you very much sir. Sir item no. 3 of the notice is a special resolution related to reappointment of Shri Sanjay Dalmia as director retiring by rotation. This special resolution is presented in the notice as an item no. 3 on page no. 84 of the annual report.

Other relevant details of director seeking reappointment as required under regulation 36 sub regulation 3 of listing regulations read with other applicable provisions is presented in the notice on page no. 87 of the annual report.

The resolution as proposed may be taken as read and is being formally put to e-voting. Now, I would request to Sanjay Dalmia sir to take the charge of meeting of remaining agenda items.

Sanjay Dalmia, Chairman of Meeting

I have one question इसका रिजल्ट कबतक आ जायेगा क्युकी पहले तो voice से वोटिंग हो जाती थी तो इसका रिजल्ट कबतक आ जायेगा

Bhwneshwar Mishra, Company Secretary

Sir अपने को शाम तक आ जायेगा रिजल्ट इसका

Sanjay Dalmia, Chairman of Meeting

OK proceed for 4th agenda item

Bhwneshwar Mishra, Company Secretary

Thank you sir, sir item no. 4 of the notice is an ordinary resolution which is related to reappointment of Mr. Ravi Shankar Jalan as director retiring by rotation. This ordinary resolution is presented in the notice as item no. 4 on page no. 84 of the annual report. Other relevant details of director seeking reappointment as director as required under regulation 36 sub regulation 3 of the listing regulation read with other applicable provisions is presented in the notice on page no. 87 of the annual report.

The resolution as proposed may be taken as read and is being formally put to e-voting.

Sir, item no.5 of the notice is an ordinary resolution which is relating to reappointment of M/S S.R BATLIBOI AND COMPANY LLP, Chartered Accountant as statutory auditor of the company for a period of 5 years. This ordinary resolution is presented in the notice as item no. 5 on page no. 84 and 85 of the annual report.

The resolution is proposed may be taken as read and being formally put to e-voting.

Sir, item no. 6 of the notice is a special resolution which is related to approval for conversion of loan into equity shares in case company is in default of terms of loan agreement. This special resolution is presented in the notice as an item no. 6 on page no. 85 of the annual report. Explanatory statement related to this special resolution is presented in the notice on page no. 93 and 94 of the annual report.

The resolution as proposed may be taken as read and is being formally put to e-voting.

Now the session is open for the question answer. Members who wish to ask question they can ask the question by using online system. Thereafter managing director as authorised by the board will respond to the queries of the shareholders.

Sanjay Dalmia, Chairman of Meeting

कोई questions हैं क्या?

Bhwneshwar Mishra, Company Secretary

जी हमारे पास request आयी है स्पीकर की सर और वो participate करेंगे उनको हमने allow किया हुआ है access करने के लिए

Sanjay Dalmia, Chairman of Meeting

कौन है वो जिनकी query है?

Bhwneshwar Mishra, Company Secretary

अभी सर वो live होंगे। जालान सर आप MUTE हैं

R S Jalan, Managing Director

Chairman Sir, one question have already coming just waiting for the people to ask the question then we will try to answer those questions. Sir first question which we received is “soda ash facility in Gujrat, any impact due to cyclone on raw material?”

Sanjay Dalmia, Chairman of Meeting

क्या करें , पहले सारे question ले लीजिये फिर एक एक कर के जबाब दीजिये.

R S Jalan, Managing Director

जी सर ,वही कर रहे है सर ,अभी एक ही question आया है सर.

Sanjay Dalmia, Chairman of Meeting

तो इसका जवाब दे दो फिर ,बाकि आता रहेगा

R S Jalan, Managing Director

Ok sir. Mr. Pranav your question is relating to the cyclone impact on our soda ash business, yes there is impact of cyclone on the soda ash business. primarily because of the major impact of the cyclone is in the rajula area which are our salt fields are there and because of that we have the lost the production of salt in our salt field and overall also in Gujrat because of cyclone the salt production is lower and because of that the prices are farming up in the salt and therefore this will have an impact on the raw material pricing of salt particularly.

Sanjay Dalmia, Chairman of Meeting

Any other question?

Saket Kapoor, Shareholder

Hello sir, I am being unmuted. can I speak sir?

Sanjay Dalmia, Chairman of Meeting

Yes, speak up.

R S Jalan, Managing Director

Yes Mr. saket

Saket Kapoor, Shareholder

नमस्कार सर, धन्यवाद सर आप सभी का मुझे ये opportunity देने के लिए। sir since you have already answer about the impact of cyclone so further understanding of has that being effecting end selling prices also because of this raw material increase or how have the price trends being in soda ash currently of the last two, three months as articulated by jalan sir that we have now the package should start moving from what the bottom it has gone through over the period of two years? So how is the price trend currently looking and what are the factor that are currently effecting the soda ash market and how has our capacity utilization fair during these second lockdown in both the segment? Since there in home textile we have also heard about impact being one week of I think so the factory were shut down in the state of TAMILNADU so how is that going to effect if you could give some color on the same. And sir also on the anti-dumping story any more update you want to share with your investors, any update if you have also on the import data since last year sir, there was a total curtailment of all industrial activities. How have the import number look like for these three months of the current financial year? Sir, home textile segment I think so this segment have been much benefited from what covid has done resulting in greater demand in home textile products so how are you seeing the trend currently sir? was it one of impact of only the covid and work from home that has laid to it and that will taper down with one year down the line or is there any permanent change in the spending activity that will contribute to the growth in the home textile for period longer than what the impact when the impact of covid got willing will taper down going forward? So your understanding on the same. Sir as our honourable chairman sir spoken about soda ash new facility and your team being working on it so any new update on the same since, has been delayed because of land acquisition troubled so any more update you want to share and sir you spoke about this flue gas opportunity being a new space were Bicarbonate would be used and we have heard from other pump manufacture like KSB and all where they have contributed to special pump for this flue gas to the power plant. So have been done any sale or any contract leading power producers regarding this carbon capture story, any update if you could provide on that and also on the solar panel part sir. The ways the Gujrat government has come up with this solar policy of setting up of more solar parks type and even getting home, providing leased to household people to setup the solar panel on the roof top सर ये कैसा game changing opportunity आपको लगती है ग्लास के डिमांड के लिए। sir, I was also hearing ASI India management sir speaking two days yesterday when they came up with the number जिसमे सर वो भी अपनी capacity को ramp up कर रहे हैं और ये भी उन्होंने एक्सप्लेन किया है की किस प्रकार से उनकी demand glass capacity करीब 25 percent बढ़ने वाली है coming year में तो सर इस segment में आप कैसी demand देख रहे हैं percentage of shares कितना जाता है because what I felt is that last will goes only to detergent part that is contributed to the incremental demand if I am correct on the same. Sir I am just concluding with more two and three point.

Firstly sir, what steps sir are we taking to improve our rating sir. The cash flow, the debt repayment and the work we have done in our balance sheet. why we are still

commanding lower ratings as per my understanding sir तो सर उसके लिए हम क्या स्टेप्स ले रहे हैं? कैसे better rating की जा सकती है? और इसमें भी क्या सर one plus one का फार्मूला लगाया जा सकता है की एक ही rating agency के through हमारी सारी ratings हो रही है? क्यूकी सर आप अभी जो capex करने जा रहे हैं specially on the soda ash पार्ट सर उसमे क्या हम कोई equity infusion के pattern से work कर सकते हैं जिसमे हम अपने end consumer को ही अपना एक equity partner बनायें जिससे रिस्क को off कर सके और पूरी पूरी story को depth के step में ना रखें क्यूकी सर अभी जो interest rate हमारी country में रन हो रहा है वो मुझे भी ऐसा लग रहा है what we people feel that is at the bottom of the cycle and from here rates may move up leading because of inflation coming in because of the higher inflationary trend in the commodity market. So these co relations how are we going to put this capex in you have told it will be in modular one but how prepared are we in terms of debt-equity portion? How are we going to fund ? what work we have done ? and also on the new product sir as chairman sir also told that we are looking for addition of two or three products. अभी भी सर हम लोग कहाँ पर हैं इस venture में ? कितना समय अभी लग सकता है? किस प्रकार का capex करना चाह रहे हैं कुछ हमने अभी होमवर्क किया है ड्राइंग बोर्ड पर है किस स्टेज पर है इस विषय पर भी कुछ उल्लेख करे तो अच्छा रहेगा । R & D पर भी आप जरूर कुछ बताइयेगा ऐसे तो annual report के लिए पहले में thanks देना भूल गया it is one of the best integrated report come up with the team and it is on the continuous basis we are getting good solid feedback from the team. So there are not many financial question on the same. Sir last pain point for me and other investors has been the valuation part sir I have just conclude with my understanding as been told by the our chairman that we are coming up we have already this proposal of demerger and that is now left with the NCLT in the next month. I hope that by 8th July the last hurdle would be clear and that would pay the wave of any NCLT update also. And sir what is this unlocking meaning for us sir आज सर क्या value है और क्या value हो जाएगी जो अनलॉकिंग word के लिए हम लोग mesmerized हो रहे हैं that it will lead to unlocking, we want to know what is unlocking in your understanding what kind of valuations can we command that would give us an idea and sir resolution no. 5 and 6 what is the auditor remuneration currently and any revision we have done for this 5 years further contract and sir loan and equity part I could not understand sir means what are the clause for which we have to convert the loan into equity? What kind of delusions and what is this enabling resolutions speaks for so if you could give some further understanding and to the promoters I have one very small question sir the low promoter holding has been talking point among the investors of all classes and the reasons why the promoter have inability to improve their holding over a period of time. Now this 19 or 20% holding has remained I think over a period of 10 may be probably 10 or 9 years and there have been some changes upon 0.5 to 0.25 over the two, three years but not substantial one. So we as investors we would also like to know the reason of why is the promoter shareholding apisomal number at 19% when we are already speaking the growth, we are showing the growth,

we are doing buy backs, we are giving dividends everything is good then why there is no further commitment from the promoter side on this story.

Sir I have taken lots of time of the management and it is really dream for me to speak to the galaxy of people to whom I am addressing and I took avail this opportunity on the technological platform and thank the secretarial department for giving me this opportunity and I hope this electronic way of conducting AGM would count merit in going forward also sir and thank you for all the patience hearing sir.

Jai Shree Krishna Sir, Thank You Sir.

Sanjay Dalmia, Chairman of Meeting

You are very knowledgeable Saket. I like to people to be knowledgeable ask the question. That is the way we can go forward.

Saket Kapoor, Shareholder

Thank you so much sir, I am humbled sir.

Sanjay Dalmia, Chairman of Meeting

बोलिये जरा, बतलाइये.

R S Jalan, Managing Director

Chairman sir, thank you very much for allowing me this opportunity of responding to one of our shareholders many questions and before kind of I to give a very specific answer to few of the very specific questions. Let me give you overview of the business because I think that overview will be able to address all the question raise by Mr. Saket our shareholder. In term of soda ash business on one side as I have been talking to our investors overall the demand scenario of soda ash is improving significantly. Earlier in the pandemic situation the detergent was doing well. Now the glass has started doing well and particularly in the flat glass is doing well and all other segment except little bit on the container glass still the demand is on the muted site which probably now after this covid impact globally has been behind to a great extent and in India hopefully in next few months it would be behind to. We very clearly see a very good growth potential in the consuming sector soda ash. As you rightly said many of our consumers EGI glass many other solar glass everywhere there is lot of expansion are being announced. So we clearly see that there is a demand growth will be very good going forward in the soda ash.

Your specific question on the soda ash pricing. You will be happy to know that the prices has started moving upward. Recently we have taken some price upward revision in our soda ash pricing and definitely on the other side raw material prices is also gone as I explain in one of the question but hopefully the way I see the prices will be moving on the positive side further and going forward. There are two reason one as I said demand is growing. There is no expansion on the new greenfield project has come in any part of the world in last two years. And because of the supply chain cost the import has significantly been reduce because the supply chain cost from any part of the world to India has significantly gone up and that has also laid to the improvement

or the reduction in the import of the soda ash. All this put together has found up the outlook for the soda ash in the near future and as I see the next few years is going to be a good journey for soda ash.

As you know last two years soda ash prices was in downward side and in one of our investors called the last time in the month of March or April. I have said that prices is lightly to move up and that has happened. And hopefully this journey will continue.

In terms of expansion or growth which you spoke about Mr. Saket on one side you know that the greenfield project because of the covid obviously some slowness has happened because we have not been to acquire the land as we desired. Only 60 to 70% land we have been able to acquire. Still the journey is going on upward this is the delayed the process by the year but hopefully we will try to complete this as soon as possible on the greenfield project.

And as I mentioned to you earlier also soda ash demand has always been ahead of the supply and this expansion on this new greenfield project will definitely bring both the top line and bottom line to our business.

Similarly, on the sodium bicarbonate which is very value added product was, we have already taken steps to expand our production by almost around from 60000 to 110000 tonne. That means almost 50000 tonne extra production. We have started the work on that.

As you rightly said about the flue gas, flue gas trial was supposed to happen but because of covid impact it has not happened but very soon my assessment is the uses of soda ash for the flue gas will happen and that will expand overall consumption of the sodium bicarbonate. So overall the soda ash as well as sodium bicarbonate we see a journey going forward.

Now, the second you spoke about the product basket. We are still evaluating many options of product basket. As chairman is also rightly said in his address that we are evaluating some other chemical but still we have not been able to identified which segment we will be going. We are looking at specialty chemical, we are looking at some bulk chemical but still evaluation process or you can it is on the drawing board. Once that happen automatically our shareholders will come to know about it.

In terms of the textile as you have said textile is doing good and our understanding is that textile because of two reason not it is only the end up demand this is also china plus one strategy is also helping slightly longer term bouncing in the textile business. so we believe that textile has will also do better going forward as chairmen as rightly said our spinning doing well, our home textile started doing well and hopefully after this demerger where you know that shareholder has already approved, the unsecured creditor has already approved, only the secured creditor we have the 8th of July the meeting once that is approved, once these two businesses are split as you know both the business will have their own growth strategy, own journey for standing and when you say about the unlocking a value, see basically our purpose is always on one thing do the right things and by doing the right things unlocking the values will be determined by our stakeholders or our shareholders. We cannot defined that how that unlocking value will happen but we personally believe as we have being seen the expectations

of our shareholders and we have moving towards that of separating of this two company and 8th of July is the hearing of secured planners.

In terms of few things also we are doing Mr. Saket one is the digital journey as I have said in the last investors calls also because that digital journey will improve lot of productivity in our business along with we have also working on sustainability.

As you very rightly said one of the best balance sheet we have and that is primarily because the focus on sustainability and our focus on the environmental and society related issues. I am also happy to say here that in this covid period your company has done remarkable job of supporting the society.

We have given two oxygen generator, many oxygen concentrator, vaccination of the society, vaccination of our people and medicine distribution, fruit distribution lots of work entire CSR activity has been align towards the society towards the covid.

Similarly, for the people also as sustainability address all these stakeholders for the people also will happy to know that majority of our people, our employee has vaccinated.

We also came out with the policy where we are supporting the people unfortunately some of people we lost because of the covid we are supporting their family for 24 to 12 months and every type of employee whether contract employee whether permanent employee we have come out with this policy to support our employees also. So lot of work is going towards mitigating the impact of covid and to the society as well as to all the people.

Now in comes of, one of few things I just want to one more thing add here you will happy to know that 5th time in a row your company has been awarded a great place to work. That's big pride to all of us and you know that this brings lot of moral in the people.

Overall Mr. Saket I have tried to address all your question if you have anything specific except two things you said one you said about.

Raman Chopra, CFO & Executive Director (Finance)

The first one is the rating improvement from A+ we are in A+ category our rating improvement exercises is also going on and hopefully in the next month we will see hopefully better results already the papers have been filed as you know Saket ji last year because of the covid impact none of the rating agencies were upgrading the rating because of ongoing covid situation. But now they are taken all the papers hopefully. We will see that improvement journey have been move forward.

Now on the two resolutions had there are question on resolution no. 5 and 6.

Resolution no. 5 is relating to the remuneration of the existing auditors that their remuneration is decide Saket ji on the year to year basis. This year we have not proposing any increase and every year it is the decision which is taken by the board as to what kind of increase to be given so that increment proposal or increase in their remuneration will come year ever year to the shareholders.

Now, coming to the last question of the conversion of loan into equity. That is just an enabling provision because this year the State Bank of India which is our lead banker it has requirement which has come from their side that any borrower if they are borrowing and if there is any default then in that event they can convert the loan into equity. This is just an enabling provision since this was requirement from their Head office and from the central office. So we have as a statutory requirement we have come here to seek the shareholders approval. Because in this case year on year we can not come because our loan and working capital loan as yearly requirement. So otherwise we will have to come every year for seeking the shareholders approval. So this is just enabling provision for which we have come for shareholders approval.

I hope we have been able to address your these two queries.

R S Jalan, Managing Director

Any other questions anybody has?

Sanjay Dalmia, Chairman of Meeting

Ek second, साकेत का वो भी था प्रमोटर shareholding का तो इसमें मैं बतलाना चाहता हूँ shareholders को हम शुरू से जुड़े हुए हैं और हम हमेशा इस कंपनी से जुड़े रहेंगे, कितना बढ़ेगा कितना नहीं बढ़ेगा ये मैं अभी बोल नहीं सकता हूँ क्यूकी वो बोलना उचित भी नहीं है पर इतना मैं बोल सकता हूँ की अभी हमने शुरुआत की थी और हम इसमें थे हैं और रहेंगे ॥ हम इससे हमेशा जुड़े रहेंगे । I think it is good enough. Saket Ji is it good enough?

Saket Kapoor, Shareholder

Yes sir, yes sir. धन्यवाद सर आपका रिप्लाई के लिए ।

Sanjay Dalmia, Chairman of Meeting

Thank you, Jai Bharat Maa,

R S Jalan, Managing Director

Sir, there is one more question from Mr. Kurnal Javedi about the cotton yarn current prices.

Mr. Javedi prices are forming up in between the slightly drop in the yarn prices however as cotton prices are also forming up and yarn prices is also forming up. So I would say that at this point of time particular in the coastal count the yarn prices is very form.

Sanjay Dalmia, Chairman of Meeting

Any other questions?

Raman Chopra, CFO & Executive Director (Finance)

There are no more question sir.

Sanjay Dalmia, Chairman of Meeting

बहुत अच्छी बात है इसका मतलब की peoples are satisfied that you have done well. We have done well. And I am sure leaps and bounds है ये खेल अगले साल और भी better होगा ।

Raman Chopra, CFO & Executive Director (Finance)

एक question और आया अभी

R S Jalan, Managing Director

Yaa let me see, there is one another question sir NBS BROKERAGE PVT LTD Mr. Naleen Shah "I joined a bit late can you please give us a brief on demerger scheme and what kind of value unlocking will it give".

Mr. Shah like in terms of the time line for the demerger 8th of July there is secured lenders meeting as you know that shareholders as well as unsecured lenders has already approved the demerger. Now we are waiting for the approval of secured lenders on 8th of July. Once that has been done after that the due process of filling approvals to the NCLT and it will take some time. At this point of time our tentative timeline is around end of November. It should happen if on 8th of July we get the approval of secured lenders.

In terms of value unlocking as I said on value unlocking as entirely depends on how you as a shareholders or all the shareholders or the investors they perceive growth journey of these two businesses.

We as the management are very committed to grow both the businesses in terms of soda ash as just brief, greenfield project, sodium bicarbonate expansion, basket of the products expansion, in the textile side expansion in the spinning as vision is always to expand rapidly on the spinning. Now we are on strong footing there also the expansion process is on. And both this thing put together will create unlocking value to what extent. That is all the shareholders will decide. Our role is to do right things.

Raman Chopra, CFO & Executive Director (Finance)

Another question has come sir. The question from Jagganath Chandramauli. He is say that how was the current capacity utilization in the current quarter.

R S Jalan, Managing Director

Yaa, it has come now, Mr. Chandramauli let me tell you one soda ash running at full as you know it is running 100% that what is the best we can produce it is running full. There is no any impact of covid on that. Textile, spinning it was because of the lockdown in Tamilnadu complete lockdown two weeks it was top. However, it was started and it is running now on the full capacity.

On the home textile our processing, weaving everything is running on full. Slightly the cotton suede is because of the labour due to some shortfall of there, however, that is not making any major impact on our overall export we are doing to our customer.

Sanjay Dalmia, Chairman of Meeting

Any other questions?

R S Jalan, Managing Director

Yaa, Mr. Pranav javedi. Higher yarn prices affect home textile division and we are able to pass on the hype.

See, Mr. Pranav, you are right, yarn prices will definitely make an impact on the home textile however, the customers are accepting some of the impact being transfer to them. Then I would say the 'yes' to partial extent this is being can be transfer to the ultimate customer in the home textile.

R S Jalan, Managing Director

There is the another question, considering the current scenario what kind of growth can we expect in two to three years in terms of percentage and growth?

Mr. shaap, in terms of the if you look at soda ash, I can say that one expansion which is happening during the current year and that will have an advantage of that 50000 tonne. We will have advantage in the next year of that expansion. sodium bicarbonate also next year you will have that advantages so these two things you will have an advantage next year and more particularly in sodium bicarbonate probably after this first quarter you will have that advantages.

In terms of spinning you will have an advantages because of we are investing on new 40000 spindles which is almost around 20 % of your current capacity. so to that extent that will also get completed by sale period might be in June. So that advantages also you will be gating in next year.

The probably I would say that our medium term view always is our growth should be in the range around 15%. So we will try to see that in longer period of time that kind of growth is being achieved.

R S Jalan, Managing Director

Yes sir, one more question is there from Mr. Pranoy, soda ash spreads per KG and currently.

Raman you have any specific number can you share it.

Raman Chopra, CFO & Executive Director (Finance)

Sir, KG I think per tonne normally will don't share this is information that is you know, so I don't know we will have to end quarter result yet to be made.

R S Jalan, Managing Director

Mr. javedi, I have keeping everything in to mind I can say that the kind of margin we have in the last quarter probably is similar kind of margin you should be expecting going forward also atleast for next two quarters and after that probably improvement should be seen upward because of raw material prices. Some impact short term impact of the salt which I have just explain few minutes back, you will have some

impact but overall in medium term we will get the advantages of this price bouncing the soda ash.

I think no other question sir.

Sanjay Dalmia, Chairman of Meeting

Any other questions?

Bhwneshwar Mishra, Company Secretary

With the permission of chairman, can I move towards closing of this?

Sanjay Dalmia, Chairman of Meeting

अगर कोई question नहीं है तो करिये आगे

Bhwneshwar Mishra, Company Secretary

Now I requested to Mr. Manoj Hurkat, practicing company secretary to inform the members about the conduction of e-voting process during the 38th AGM. Members are requested to kindly follow the instructions announce by the scrutinizer.

The result will be announcing as soon as the counting of vote and verification process is over and report of the scrutinizer is available with the company. The result of e-voting both remote e-voting and the electronic voting during the 38th AGM will be uploaded on the website of the company and the same will be file to stock exchanges and CDSL and behalf of the management I thanks to all of you for attending the AGM and making this event a successful event subject to completion of e-voting process by the scrutinizer and announcement of the result.

The 38th AGM of the members of the company closed with vote of thanks to all of you

Thank you very much sir.

Manoj Hurkat, scrutinizer

There are few shareholders who have attend this AGM and who have not still voted through the remote e-voting, they are requested to exercise their voting right at the earliest.

The voting right will remain open for another 15 minutes from the conclusion of this AGM. So the same will remain open till 11.15, Mishra ji we will keep it open till 11.15 and members are otherwise aware about the voting process because we have been following it for many years together but still for the benefit of shareholders I just announce that there are 6 resolutions which has put in for voting. Members can exercise their voting right either in favour or against the voting for which there is specific selection button available. If they can vote either in favour or against the resolution after exercising the voting right they have to click on the submit button. That is how their voting right will be registered. At 11.15 we will disable the e-voting process and thereafter I will unblock the voting registers by the members which would be scrutinized by me from the register of the members available another details available.

After scrutinizing the same I will prepare my report and will submit same to the chairman.

Bhuweshwar Mishra, Company Secretary

Thank you very much sir.

Sanjay Dalmia, Chairman of Meeting

All the best see you next year. Thank you everyone.

R S Jalan, Managing Director

Thank you.

On behalf of the management, I Thanks to all of you for attending online AGM and making this event grand success. Subject to completion of e-voting process by the Scrutinizer and announcement of results of e-voting by the Company, the 38th AGM of the members of the Company is closed with votes of thanks to one and all.

Thank you for joining GHCL Limited's 38th Annual General Meeting. The meeting is now concluded and E-voting will open for 15 minutes.