

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
GHCL Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of GHCL Limited including GHCL Employee Stock Option Trust (the "Company") for the quarter ended June 30, 2023 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. **Emphasis of Matters**

- (a) Restatement of unaudited standalone financial results

We draw attention to Note 3 to the unaudited standalone financial results 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" during the quarter ended 30 June 2022.

S.R. BATLIBOI & Co. LLP

Chartered Accountants

(b) Demerger Accounting

We draw attention to note 2B to the unaudited standalone financial results, which indicates that the demerger has been accounted on the Appointed date i.e. April 01, 2023 being the date of filing of certified true copy of the National Company Law Tribunal order along with the sanctioned Scheme with the Registrar of Companies, instead of accounting of demerger during the previous year ended March 31, 2023 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 aforesaid previous year.

Our conclusion is not modified in respect of the above matters.

6. The accompanying Statement of unaudited quarterly interim standalone financial results includes the unaudited financial results in respect of GHCL Employee Stock Option Trust whose interim financial results and other financial information reflect total revenues of Rs. Nil, total net profit after tax of Rs. Nil and total comprehensive income of Rs. Nil for the quarter ended June 30, 2023 as considered in the Statement which have been not been reviewed by its auditors.

These unaudited financial results of the GHCL Employee Stock Option Trust have been approved and furnished to us by the Management. According to the information and explanations given to us by the Management, these unaudited interim financial results are not material to the Company.

Our conclusion is not modified in respect of this matter.

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

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per Sanjay Vij

Partner

Membership No.: 095169

UDIN: 23095169BGYAAG8549

Place: Gurugram

Date: August 07, 2023

GHCL Limited (CIN : L24100GJ1983PLC006513)

Registered Office: GHCL House, Opp. Punjabi Hall, Near Navrangpura Bus Stand, Navrangpura, Ahmedabad - 380 009, Gujarat
(Email: ghclinfo@ghcl.co.in, secretarial@ghcl.co.in, Website: www.ghcl.co.in, Phone: 079- 26434100, Fax: 079-26423623)

| Statement of Unaudited Standalone Financial Results for the Quarter ended June 30, 2023 | | | | Rs. In Crore | |
|---|--|-----------------|-------------------------|--------------------------|-----------------|
| S. No. | Particulars | Quarter Ended | | | Year Ended |
| | | 30.06.2023 | 31.03.2023 | 30.06.2022 (Restated) | 31.03.2023 |
| | | Unaudited | Audited (Refer No.4) | Unaudited | Audited |
| 1 | Income from continuing operations | | | | |
| | (a) Revenue from Operations | 1,016.89 | 1,119.20 | 1,148.23 | 4,545.42 |
| | (b) Other Income | 12.25 | 22.05 | 4.70 | 38.63 |
| | Total Income | 1,029.14 | 1,141.25 | 1,152.93 | 4,584.05 |
| 2 | Expenses from continuing operations: | | | | |
| | a) Cost of materials consumed | 289.14 | 285.95 | 325.35 | 1,281.91 |
| | b) Purchase of stock-in-trade | 133.62 | 59.09 | 117.86 | 323.09 |
| | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (39.08) | 54.32 | (18.24) | (12.18) |
| | d) Power, fuel and water expense | 189.99 | 206.56 | 214.39 | 854.62 |
| | e) Employee benefits expense | 30.39 | 35.66 | 30.43 | 133.70 |
| | f) Depreciation and amortisation expense | 24.43 | 26.77 | 21.91 | 94.22 |
| | g) Finance Costs | 7.76 | 10.21 | 9.83 | 38.67 |
| | h) Other expenses | 114.98 | 129.26 | 118.96 | 482.85 |
| | Total Expenses | 751.23 | 807.82 | 820.49 | 3,196.88 |
| | Profit before tax and Exceptional Items from continuing operations (1-2) | 277.91 | 333.43 | 332.44 | 1,387.17 |
| 3 | Exceptional Items gain/(loss) (Refer Note no 2(A) & 2(B)) | 219.28 | - | 64.15 | 55.38 |
| 4 | Profit before tax from continuing operations (3-4) | 497.19 | 333.43 | 396.59 | 1,442.55 |
| 5 | Tax expenses of continuing operations | | | | |
| | (a) Current tax | 70.09 | 92.73 | 83.83 | 356.61 |
| | (b) Tax adjustment for earlier years | - | (0.04) | - | (0.62) |
| | (c) Deferred tax (credit)/charge | 0.85 | (9.97) | 2.84 | (5.83) |
| | Total tax expenses | 70.94 | 82.72 | 86.67 | 350.16 |
| 6 | Net Profit from continuing operations (5-6) | 426.25 | 250.71 | 309.92 | 1,092.39 |
| 7 | Profit from discontinued operations | - | (42.18) | 62.89 | 31.92 |
| 8 | Tax credit/(expense) of discontinued operations | - | 9.78 | (14.11) | (7.60) |
| 9 | Profit from discontinued operations after tax (8+9) | - | (32.40) | 48.78 | 24.32 |
| 10 | Profit for the period/ year (7+10) | 426.25 | 218.31 | 358.70 | 1,116.71 |
| | Other Comprehensive Income | | | | |
| | (a) Re-measurement gains/(losses) on defined benefit plans - not to be reclassified subsequently to profit & loss | (1.07) | (3.90) | - | 0.44 |
| | (b) Income tax effect on above | 0.27 | 0.98 | - | (0.11) |
| | (c) Re-measurement gains/(losses) on investments in equity shares classified as FVOCI - not to be reclassified subsequently to profit & loss | 0.84 | (0.95) | (1.44) | 1.32 |
| | (d) Income tax effect on above | (0.10) | (0.48) | - | - |
| 11 | Other Comprehensive Income net of tax - not to be reclassified subsequently to profit & loss | (0.06) | (4.35) | (1.44) | (3.61) |
| 12 | Total Comprehensive Income comprising profit after tax and other Comprehensive income (11+12) | 426.19 | 213.96 | 357.26 | 1,113.10 |
| 13 | Other Equity as per the audited balance sheet | | | | 3,838.29 |
| 14 | Paid Up Equity Share Capital (face value of Rs.10/- each) | 95.59 | 95.59 | 95.59 | 95.59 |
| 15 | Earnings per Share (face value of Rs.10/- each) - (restated) | | (Not Annualised) | | |
| | (a) Basic-continuing operations | 44.81 | 26.78 | 32.48 | 114.89 |
| | (b) Diluted-continuing operations | 44.71 | 26.74 | 32.43 | 114.89 |
| | (c) Basic-discontinued operations | - | (3.38) | 5.11 | 2.56 |
| | (d) Diluted-discontinued operations | - | (3.38) | 5.11 | 2.56 |
| | (e) Basic-continuing & discontinued operations | 44.81 | 23.40 | 37.59 | 117.45 |
| | (f) Diluted-continuing & discontinued operations | 44.71 | 23.36 | 37.54 | 117.45 |

Notes to the Statement of Unaudited Standalone Financial Results for the Quarter June 30, 2023

1. The above unaudited standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 07, 2023. These unaudited standalone financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The Statutory Auditors of the Company have conducted a limited review of these unaudited standalone financial results of the Company for the quarter ended June 30, 2023, in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and expressed an unmodified review conclusion on these unaudited results.

2. 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 quarter ended June 30, 2022 after satisfaction of conditions precedent as stipulated in these agreements at a consideration of Rs. 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 Rs. 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 Rs. 64.15 crores (net of current and deferred tax impact of Rs. 4.11 crores on such sale of the HT Business was recognised under Exceptional Items.

(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 of demerger of Spinning Division of GHCL Limited ("Demerged Company"/"Company") into GHCL Textiles Limited ("Resulting Company") ("the Scheme") and the said Scheme was approved by the Hon'ble National Company Law Tribunal, Ahmedabad (NCLT) vide its order dated February 08, 2023.

As per the Scheme, the accounting has been carried out on the April 01, 2023 being the Appointed date and effective date i.e. the date on which the Company filed the Certified True Copy of the NCLT order along with the sanctioned Scheme with the ROC. 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 required the Company to account for such Scheme in the previous year ended March 31, 2023 since the substantial conditions relating to transfer of the demerged undertaking were met during the previous year ended March 31, 2023. Since the Certified True Copy of the NCLT order along with the sanctioned Scheme with the ROC was filed on April 01, 2023, accounting effect in respect of the Scheme has been given in these unaudited standalone financial results during the current quarter instead of previous year ended March 31, 2023, as the approved scheme prevail over the applicable Indian Accounting Standards.

The Company has accordingly, debited the fair value of Demerged undertaking i.e. fair value of net assets of Spinning Division distributed to the shareholders of the Company, amounting to Rs. 1,597.28 crores to the retained earnings in the Statement of Changes in Equity as dividend distribution. The difference between in the fair value and the carrying amount of net assets of Rs. 1,359.28 crores of Spinning Division as at April 01, 2023 is recognised as gain on demerger of Spinning Division in the Statement of Profit and Loss as an Exceptional item, amounting to Rs. 219.28 crores (net of transaction cost and income tax on transaction cost) during the current quarter. Further, upon the Scheme becoming effective, the investment made by the Company in Resulting Company has been cancelled.

As a consideration for the Demerger, the resulting company has issued 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 has been issued by the Resulting company for every one share of INR 10 each held in the Company).

(C) The net results of Home Textiles Business and Spinning Division were 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 periods June 30, 2023 and quarter/year ended March 31, 2023 pertains to its continuing operations only and for that purpose the results for the quarter ended June 30, 2022 have been restated accordingly.

The following information relates to discontinued operations of Home Textiles Division and Spinning Division:

| S. No. | Particulars | Rs. in crores | | |
|--------|-----------------------------------|---------------|--------------------------|------------|
| | | Quarter Ended | | Year Ended |
| | | 31.03.2023 | 30.06.2022 (Restated) | 31.03.2023 |
| 1 | Revenue from Operations | 269.51 | 332.83 | 1,090.58 |
| 2 | Other Income | 0.06 | 1.53 | 5.80 |
| 3 | Total Expenses | 311.75 | 271.47 | 1,064.47 |
| 4 | Profit/(loss) before tax (1+2-3) | (42.18) | 62.89 | 31.92 |
| 5 | Tax expenses/credit | 9.78 | (14.11) | (7.60) |
| 6 | Net Profit/(loss) after tax (4+5) | (32.40) | 48.78 | 24.32 |

3. During the previous year, the Company had restated its financial statements/results for the year ended March 31, 2022 during the quarter ended March 31, 2023 by retrospectively restating the financial information as per Ind AS 8 on account of recognition of deferred tax liabilities on revaluation of land, buildings and certain property, plant and equipment and reclassification of the amounts of freight recovered from customers to "Revenue from Operations" as against presenting such amounts as a deduction from freight expenses under the head "Other expenses" based on re-evaluation of the terms of arrangement of its contract with customers. Such restatements led to adjustments in the financial results of quarter ended June 30, 2022 which are presented as comparative information in the Statement. The impacts of the above restatements on the Statement is as follows:

| Rs. in crores | |
|--|-----------------------------|
| Particulars | Quarter ended 30.06.2022 |
| (a) Increase in deferred tax liabilities | |
| Increase in deferred tax credit included under "Tax expenses from continuing operations" | 1.40 |
| Increase in deferred tax credit included under "Tax expenses from discontinued operations" | 0.27 |
| Increase in deferred tax credit included under "exceptional item" | 11.68 |
| Total | 13.34 |
| (b) Impact of account of reclassification of freight recovered: | |
| Increase in Revenue from Operations | 56.66 |
| Increase in Freight and Forwarding under "Other Expenses" | 56.66 |
| (c) Impact of such restatements on basic and diluted EPS | |
| Restated Basic EPS | 37.59 |
| Published Basic EPS | 36.19 |
| Restated Diluted EPS | 37.54 |
| Published Diluted EPS | 36.14 |

4. The figures for the quarter ended March 31, 2023 are the balancing figures between audited figures in respect of full financial year ended March 31, 2023 and the unaudited published year to date figures upto December 31, 2022, being the end of the third quarter of the financial year which were subjected to limited review. The previous period figures have been regrouped, wherever considered necessary.

5. The Company had 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 Rs. 27 Crores, subject to certain adjustments in terms of the BTA ("Proposed Acquisition"). On March 31, 2023, both the parties had 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. The said agreement has been further extended till September 30, 2023 during the current quarter as requisite approvals from the government authority are yet to be obtained.

6. 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 period the Code becomes effective.

7. The Company operated two segments i.e. Inorganic Chemicals and Textiles. Pursuant to the Scheme of Demerger (refer note 2(B) above), Company's Textiles segment which included Spinning Division was disclosed as Discontinuing Operations. Accordingly, the Company's continuing operations pertain to one segment i.e. Inorganic Chemicals.

8. In line with the requirements of Regulation 47(2) of the Listing Regulations, 2015, the results are available on the website of BSE Limited (URL: www.bseindia.com/corporates), the National Stock Exchange of India Limited (URL: www.nseindia.com/corporates) and on the company's website (URL: <http://ghcl.co.in/investors/performance-reports/>).

Noida
August 07, 2023

For and on behalf of Board of Directors of GHCL Limited

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R. S. Jalan
Managing Director

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RAMAN
CHOPRA
Raman Chopra
CFO & Executive Director (Finance)

Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
GHCL Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of GHCL Limited including GHCL Employee Stock Option Trust (the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), for the quarter ended June 30, 2023 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:
 - a) Dan River Properties LLC (Subsidiary)
 - b) GHCL Employee Stock Option Trust (Employee Welfare Trust)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. **Emphasis of Matters**
 - (a) Restatement of unaudited consolidated financial results

S.R. BATLIBOI & Co. LLP

Chartered Accountants

We draw attention to Note 3 to the unaudited consolidated financial results 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” during the quarter ended 30 June 2022.

(b) Demerger Accounting

We draw attention to note 2B to the unaudited consolidated financial results, which indicates that the demerger has been accounted on the Appointed date i.e. April 01, 2023 being the date of filing of certified true copy of the National Company Law Tribunal order along with the sanctioned Scheme with the Registrar of Companies, instead of accounting of demerger during the previous year ended March 31, 2023 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 aforesaid previous year.

Our conclusion is not modified in respect of the above matters.

7. The accompanying Statement includes:

- (a) unaudited interim financial results in respect of one subsidiary, whose interim financial results and other financial information reflect total revenues of Rs. 0.11 crores, total net profit after tax of Rs. 0.08 crores, and total comprehensive income of Rs. 0.06 crores for the quarter ended June 30, 2023.
- (b) unaudited interim financial results in respect of GHCL Employee Stock Option Trust whose interim financial results and other financial information reflect total revenues of Rs. Nil, total net profit after tax of Rs. Nil and total comprehensive income of Rs. Nil for the quarter ended June 30, 2023.

The unaudited interim financial results of the subsidiary and GHCL Employee Stock Option Trust have not been reviewed by any auditor(s) and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of the subsidiary and GHCL Employee Stock Option Trust is based solely on such unaudited interim financial results. According to the information and explanations given to us by the Management, these unaudited interim financial results are not material to the Group. Our conclusion is not modified in respect of this matter.

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005

**SANJAY
VIJ**

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Date: 2023.08.07 13:28:33 +05'30

per Sanjay Vij

Partner

Membership No.: 095169

UDIN: 23095169BGYAAH1440

Place: Gurugram

Date: August 07, 2023

| GHCL Limited (CIN : L24100GG1983PLC006513) | | | | | |
|---|--|-----------------|------------------------|--------------------------|-----------------|
| Registered Office: GHCL House, Opp. Punjabi Hall, Near Navrangpura Bus Stand, Navrangpura, Ahmedabad - 380 009, Gujarat | | | | | |
| (Email: ghclinfo@ghcl.co.in, secretarial@ghcl.co.in, Website: www.ghcl.co.in, Phone: 079- 26434100, Fax: 079-26423623) | | | | | |
| Statement of Unaudited Consolidated Financial Results for the Quarter Ended June 30, 2023 (Rs. in Crore) | | | | | |
| S. No. | Particulars | Quarter Ended | | Year Ended | |
| | | 30.06.2023 | 31.03.2023 | 30.06.2022 (Restated) | 31.03.2023 |
| | | Unaudited | Audited (Refer Note 4) | Unaudited | Audited |
| 1 | Income from continuing operations | | | | |
| | (a) Revenue from Operations | 1,016.89 | 1,119.20 | 1,148.23 | 4,545.42 |
| | (b) Other Income | 12.36 | 22.16 | 4.85 | 39.11 |
| | Total Income | 1,029.25 | 1,141.36 | 1,153.08 | 4,584.53 |
| 2 | Expenses from continuing operations: | | | | |
| | a) Cost of materials consumed | 289.14 | 285.95 | 325.35 | 1,281.91 |
| | b) Purchase of stock-in-trade | 133.62 | 59.09 | 117.86 | 323.09 |
| | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (39.08) | 54.32 | (18.24) | (12.18) |
| | d) Power, fuel and water expense | 189.99 | 206.56 | 214.39 | 854.62 |
| | e) Employee benefits expense | 30.42 | 35.68 | 30.57 | 134.07 |
| | f) Depreciation and amortisation expense | 24.43 | 26.77 | 21.91 | 94.22 |
| | g) Finance Costs | 7.76 | 10.21 | 9.83 | 38.67 |
| | h) Other expenses | 114.98 | 129.27 | 118.96 | 482.86 |
| | Total Expenses | 751.26 | 807.85 | 820.63 | 3,197.26 |
| 3 | Profit before tax and Exceptional Items from continuing operations (1-2) | 277.99 | 333.51 | 332.45 | 1,387.27 |
| 4 | Exceptional Items gain/(loss) (Refer Note no 2(A) & 2(B)) | 219.28 | - | 75.73 | 75.73 |
| 5 | Profit before tax from continuing operations (3-4) | 497.27 | 333.51 | 408.18 | 1,463.00 |
| 6 | Tax expenses of continuing operations | | | | |
| | (a) Current tax | 70.09 | 92.73 | 83.83 | 353.65 |
| | (b) Tax adjustment for earlier years | - | (0.04) | - | (0.62) |
| | (c) Deferred tax (credit)/charge | 0.85 | (9.97) | 2.84 | (5.83) |
| | Total tax expenses | 70.94 | 82.72 | 86.67 | 347.20 |
| 7 | Net Profit from continuing operations (5-6) | 426.33 | 250.79 | 321.51 | 1,115.80 |
| 8 | Profit/(Loss) from discontinued operations | - | (34.01) | 61.19 | 33.37 |
| 9 | Tax credit/(expense) of discontinued operations | - | 9.77 | (14.11) | (7.60) |
| 10 | Profit/(Loss) from discontinued operations after tax(8+9) | - | (24.24) | 47.08 | 25.77 |
| 11 | Profit for the period/year (7+10) | 426.33 | 226.55 | 368.59 | 1,141.57 |
| | Other Comprehensive Income | | | | |
| | (a) Re-measurement gains/(losses) on defined benefit plans - not to be reclassified subsequently to profit & loss | (1.07) | (3.90) | - | (3.90) |
| | (b) Income tax effect on above | 0.27 | 0.98 | - | 0.98 |
| | (c) Re-measurement gains/(losses) on investments in equity shares classified as FVOCI - not to be reclassified subsequently to profit & loss | 0.84 | (0.95) | (1.44) | (0.21) |
| | (d) Income tax effect | (0.10) | (0.48) | - | (0.48) |
| | (e) Exchange differences on translation of foreign operations - to be reclassified subsequently to profit & loss | (0.01) | 0.16 | (0.22) | (0.56) |
| 12 | Other Comprehensive Income net of tax- not to be reclassified subsequently to profit & loss | (0.07) | (4.19) | (1.66) | (4.17) |
| 13 | Total Comprehensive Income comprising profit after tax and other Comprehensive income (11+12) | 426.26 | 222.36 | 366.93 | 1,137.40 |
| 14 | Profit from continuing operations (7) attributable to : | | | | |
| | Owners of the Company | 426.33 | 250.79 | 321.51 | 1,115.80 |
| | Non-controlling interest | - | - | - | - |
| 15 | Profit/(Loss) from discontinued operations (10) attributable to : | | | | |
| | Owners of the Company | - | (24.24) | 47.08 | 25.77 |
| | Non-controlling interest | - | - | - | - |
| 16 | Profit for the period/ year (11) attributable to : | | | | |
| | Owners of the Company | 426.33 | 226.55 | 368.59 | 1,141.57 |
| | Non-controlling interest | - | - | - | - |
| 17 | Total comprehensive Income (13) attributable to : | | | | |
| | Owners of the Company | 426.26 | 222.36 | 366.93 | 1,137.40 |
| | Non controlling interest | - | - | - | - |
| 18 | Other Equity as per the audited balance sheet | | | | 3,860.18 |
| 19 | Paid Up Equity Share Capital (face value of Rs.10/- each) | 95.59 | 95.59 | 95.59 | 95.59 |
| 20 | Earnings per Share (face value of Rs.10/- each) - (restated) | | (Not Annualised) | | |
| | (a) Basic-continuing operations | 44.82 | 26.80 | 33.70 | 117.35 |
| | (b) Diluted-continuing operations | 44.72 | 26.75 | 33.65 | 117.35 |
| | (c) Basic-discontinued operations | - | (2.52) | 4.93 | 2.71 |
| | (d) Diluted-discontinued operations | - | (2.52) | 4.93 | 2.71 |
| | (e) Basic-continuing & discontinued operations | 44.82 | 24.28 | 38.63 | 120.06 |
| | (f) Diluted-continuing & discontinued operations | 44.72 | 24.23 | 38.58 | 120.06 |

Notes to the Statement of Unaudited Consolidated Financial Results for the Quarter ended June 30, 2023

1. The above unaudited consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors of GHCL Limited ('Holding Company') at their respective meetings held on August 07, 2023. These unaudited consolidated financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The unaudited consolidated financial results include the unaudited financial results of the Holding Company and its one subsidiary, "Dan River Properties LLC". The Statutory Auditors of the Holding Company (together referred as 'Group') have conducted a Limited Review of these unaudited consolidated financial results of the Group for the quarter ended June 30, 2023, in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and expressed an unmodified review conclusion on these unaudited results.

2. 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 quarter ended June 30, 2022 after satisfaction of conditions precedent as stipulated in these agreements at a consideration of Rs. 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 Rs. 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 Rs. 75.73 crores (net of current and deferred tax impact of Rs. 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 Holding Company at their meeting held on December 06, 2021 approved a Scheme of Arrangement under Section 230 – 232 of the Companies Act 2013 of demerger of Spinning Division of GHCL Limited ("Demerged Company"/"Holding Company") into GHCL Textiles Limited ("Resulting Company") ("the Scheme") and the said Scheme was approved by the Hon'ble National Company Law Tribunal, Ahmedabad (NCLT) vide its order dated February 08, 2023.

As per the Scheme, the accounting has been carried out on the April 01, 2023 being the Appointed date and effective date i.e. the date on which the Holding Company filed the Certified True Copy of the NCLT order along with the sanctioned Scheme with the ROC. 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 required the Holding Company to account for such Scheme in the previous year ended March 31, 2023 since the substantial conditions relating to transfer of the demerged undertaking were met during the previous year ended March 31, 2023. Since the Certified True Copy of the NCLT order along with the sanctioned Scheme with the ROC was filed on April 01, 2023, accounting effect in respect of the Scheme has been given in these unaudited consolidated financial results during the current quarter instead of previous year ended March 31, 2023, as the approved scheme prevail over the applicable Indian Accounting Standards.

The Holding Company has accordingly, debited the fair value of Demerged undertaking i.e. fair value of net assets of Spinning Division distributed to the shareholders of the Holding Company, amounting to Rs. 1,597.28 crores to the retained earnings in the Statement of Changes in Equity as dividend distribution. The difference between in the fair value and the carrying amount of net assets of Rs. 1,359.28 crores of Spinning Division as at April 01, 2023 is recognised as gain on demerger of Spinning Division in the Statement of Profit and Loss as an Exceptional item, amounting to Rs. 219.28 crores (net of transaction cost and income tax on transaction cost) during the current quarter. Further, upon the Scheme becoming effective, the investment made by the Holding Company in Resulting Company has been cancelled.

As a consideration for the Demerger, the resulting company has issued 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 has been issued by the Resulting company for every one share of INR 10 each held in the Holding Company)

(C) The net results of Home Textiles Business and Spinning Division were 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 Group's Statement of Profit and Loss for the periods June 30, 2023 and quarter/year ended March 31, 2023 pertains to its continuing operations only and for that purpose the results for the quarter ended June 30, 2022 have been restated accordingly.

| S. No. | Particulars | Quarter Ended | | Year Ended |
|--------|----------------------------|---------------|--------------------------|------------|
| | | 31.03.2023 | 30.06.2022 (Restated) | 31.03.2023 |
| 1 | Revenue from Operations | 269.51 | 333.36 | 1,090.58 |
| 2 | Other Income | 1.22 | 1.53 | 5.80 |
| 3 | Total Expenses | 309.72 | 273.70 | 1,063.52 |
| 4 | Profit before tax | (34.01) | 61.19 | 33.37 |
| 5 | Tax expenses | 9.77 | (14.11) | (7.60) |
| 6 | Net Profit after tax (4+5) | (24.24) | 47.08 | 25.77 |

3. During the previous year, the Holding Company had restated its financial statements/results for the year ended March 31, 2022 during the quarter ended March 31, 2023 by retrospectively restating the financial information as per Ind AS 8 on account of recognition of deferred tax liabilities on revaluation of land, buildings and certain property, plant and equipment and reclassification of the amounts of freight recovered from customers to "Revenue from Operations" as against presenting such amounts as a deduction from freight expenses under the head "Other expenses" based on re-evaluation of the terms of arrangement of its contract with customers. Such restatements led to adjustments in the financial results of quarter ended June 30, 2022 which are presented as comparative information in the Statement. The impacts of the above restatements on the Statement is as follows:

| Particulars | Rs. in crores |
|--|-----------------------------|
| | Quarter ended 30.06.2022 |
| (a) Impact on account of deferred tax: | |
| Increase in deferred tax credit included under "Tax expenses from continuing operations" | 1.40 |
| Increase in deferred tax credit included under "Tax expenses from discontinued operations" | 0.27 |
| Increase in deferred tax credit included under "exceptional item" | 11.68 |
| Total | 13.34 |
| (b) Impact of account of reclassification of freight recovered: | |
| Increase in Revenue from Operations | 56.66 |
| Increase in Freight and Forwarding under "Other Expenses" | 56.66 |
| (c) Impact of such restatements on basic and diluted EPS | |
| Restated Basic EPS | 38.63 |
| Published Basic EPS | 37.22 |
| Restated Diluted EPS | 38.58 |
| Published Diluted EPS | 37.18 |

4. The figures for the quarter ended March 31, 2023 are the balancing figures between audited figures in respect of full financial year ended March 31, 2023 and the unaudited published year to date figures upto December 31, 2022, being the end of the third quarter of the financial year which were subjected to limited review. The previous period figures have been regrouped, wherever considered necessary.

5. The Holding Company had 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 Rs. 27 Crores, subject to certain adjustments in terms of the BTA ("Proposed Acquisition"). On March 31, 2023, both the parties had 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. The said agreement has been further extended till September 30, 2023 during the current quarter as requisite approvals from the government authority are yet to be obtained.

6. 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 period the Code becomes effective.

7. The Group operated two segments i.e. Inorganic Chemicals and Textiles. Pursuant to the Scheme of Demerger (refer note 2(B) above), Company's Textiles segment which included Spinning Division was disclosed as Discontinued Operations. Accordingly, the Group's continuing operations pertain to one segment i.e. Inorganic Chemicals.

8. In line with the requirements of Regulation 47(2) of the Listing Regulations, 2015, the results are available on the website of BSE Limited (URL: www.bseindia.com/corporates), the National Stock Exchange of India Limited (URL: www.nseindia.com/corporates) and on the company's website (URL: <http://ghcl.co.in/investors/performance-reports>).

For and on behalf of Board of Directors of GHCL Limited

RS
JALAN

Digitally signed
by R.S.JALAN
Date: 2023.08.07
13:20:40 +05'30'

R. S. Jalan
Managing Director

RAMAN
CHOPRA

Digitally signed by
RAMAN CHOPRA
Date: 2023.08.07
13:22:16 +05'30'

Raman Chopra
CFO & Executive Director (Finance)

Noida
August 07, 2023