

August 6, 2025

**श्रावण- शुक्ल पक्ष, द्वादशी
विक्रम सम्वत् २०८२**

**National Stock Exchange of India
Limited**

“Exchange Plaza”
Bandra – Kurla Complex,
Bandra (E), Mumbai – 400 051
NSE Code: GHCL

BSE Limited

Corporate Relationship Department,
1st Floor, New Trading Ring, Rotunda Building, P.J.
Towers,
Dalal Street, Fort, Mumbai – 400 001
BSE Code: 500171

Dear Sir / Madam,

Subject: Filing of Transcript regarding Investors’ conference held on August 1, 2025

In continuation to our earlier communication dated July 19, 2025 and July 31, 2025 regarding Investors’ conference on August 1, 2025 and pursuant to requirement of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to attach copy of the transcript regarding said Investors’ conference held with the management on August 1, 2025 for your reference and record.

Please note that copy of this intimation is also available on the website of BSE Limited (www.bseindia.com/corporates), National Stock Exchange of India Limited (www.nseindia.com/corporates) and website of the Company (www.ghcl.co.in).

You are requested to kindly take note of the same.

Thanking you

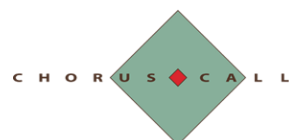
Yours truly

For GHCL Limited

Bhuwneshwar Mishra
Vice President - Sustainability & Company Secretary
(Membership No.: FCS 5330)



“GHCL Limited
Q1 FY '26 Earnings Conference Call”
August 01, 2025



MANAGEMENT: **MR. R.S. JALAN – MANAGING DIRECTOR**
MR. RAMAN CHOPRA – CHIEF FINANCIAL OFFICER
AND EXECUTIVE DIRECTOR, FINANCE
MR. MANU JAIN – SR. GENERAL MANAGER, INVESTOR
RELATIONS AND FINANCE

MODERATOR: **MR. MEET VORA – EMKAY GLOBAL FINANCIAL**
SERVICES



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Moderator: Ladies and gentlemen, good day, and welcome to GHCL's Q1 FY '26 Earnings Conference Call, hosted by Emkay Global Financial Services Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star, then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Meet Vora from Emkay Global Financial Services Limited. Thank you, and over to you, sir.

Meet Vora: Thank you. Good afternoon, everyone. Thank you for joining us on GHCL's Q1 FY '26 Results Conference Call. I would like to welcome the management and thank them for giving us this opportunity to host them. We have with us today Mr. R.S. Jalan, Managing Director; Mr. Raman Chopra, CFO and Executive Director of Finance; Mr. Manu Jain, General Manager, Investor Relations and Finance.

Before we begin this call, I would like to point out that some statements made in this call may be forward-looking, and a disclaimer to this effect has been included in the earnings presentation shared with you earlier.

I shall now hand over the call to the management for their opening remarks. Thank you, and over to you, sir.

Ravi Jalan: Thank you, Meet. Thank you very much. Hello, everyone. Welcome to GHCL's earnings call for the first quarter ended on 30th of June 2025. Our results and investor presentation has been uploaded on the stock exchange. I would now like to share some of my thoughts about the global soda ash scenario, domestic scenario as well as the GHCL performance.

First, let me take the global scenario. Overall, globally, the demand is muted and there is an oversupply situation. Prices are under pressure worldwide. Global uncertainty because of the tariff and other geopolitical situation are uncertain.

In last 2 years, 10 million tonnes of the soda ash capacity has been added, mainly led by China. And this year, 1 million has been added. Of course, 1 million has been closed in the Europe also, and there is a likely chance of 1 million further getting added in the remaining period of this calendar year '25.

U.S. demand and Europe demand are volatile, whereas in China, the demand last 2 years has been very robust. In '23, the demand growth was 10%. In last year, '24 calendar year, it was 18%. However, current demand in China is muted, almost flat.

The second point which I want to highlight here is that at this point of time, across the globe, and I would more specifically talk about China and other parts of Europe, the synthetic soda ash



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producers, they have not been able to cover their cost - cash cost on the prices which they are selling.

So this also indicates that there is a small risk of synthetic soda ash plant, small synthetic soda ash plant with a high cost at the risk of closure. Our understanding at this point of time globally is at least next 2, 3 quarters is going to be challenging. And U.S. -- of course, on the other side, the U.S. economy is looking good. And further clarity will come once your tariff clarity comes into the situation.

Now come to the Indian scenario. Indian demand of soda ash growth has been good last year as well. And in this first quarter also, the demand growth is good. We expect the demand growth in this year should be around 5% to 6%. And as you all know, solar is one of the contributing factors in that.

However, because of the global oversupply situation and price under pressure, overall, the market is oversupplied. Even some of the domestic players has also added some of the capacity and both this put together high import as well as the domestic production increase, overall, there is an oversupply in India.

And as per our understanding, initial understanding at this point of time is, '26-'27 is likely to be a challenging year. Our understanding for the Q2 for us looks to be challenging. Of course, because one is the [sustainability] and second is prices are going to remain under pressure. However, slight change in the global scenario can change the domestic scenario as well.

Now let's talk about the GHCL. As I said, GHCL has also got impacted because of the oversupply -- overall supply situation and the market price. However, because of -- in spite of this, I just want to say that in last 2 years, '23-'24 versus the current scenario, the prices have dropped by 19%, whereas our bottom line has been impacted less than 5%. This shows that the gap of this has been -- we have been able to cover by 2 -- mainly by the 2 reasons. One is the internal efficiencies which is around 50% of the benefits, and the balance 50% is the price drop in the raw material.

This internal efficiency, which we have been able to build has definitely is going to be sustainable, and this will give us a huge advantage going forward once the market situation becomes a normal situation. Our USP in GHCL, we have a customer serviceability as a uniqueness in our supply chain, our strategic arrangement with the customers, our cost optimization, which I just mentioned to you and innovating and building raw material efficiencies, each one of the USP we have. And as you all know, the balance sheet, we have a strong balance sheet.

We believe that these cycles of soda ash will -- we have seen in the past also, and we believe that we will be able to sustain this cycle very efficiently. And once an upside happens in this,



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definitely, this will give us a huge advantage going forward. So far as the future prospect is concerned, I mentioned about the market outlook. In addition to that, as you all know, that we are focused on product diversification growth, sustainable and future financial prudence for the GHCL.

Looking forward, we are very optimistic about India. Soda ash demand is likely tied to India's robust growth story. As our economy grows, so will demand in the core sector like detergent, glass will also grow. We also see accelerated growth coming from new solar glass facilities, which is a key part of India's green energy mission. Our strategy at GHCL is about decisively building that what comes next.

Our diversification and growth plan updates our agenda - our initial bromine and vacuum salt projects are underway and likely to be commissioned in FY '26. Greenfield projects are also moving in this thing. Long-term strategic investments, this greenfield project represents our long-term strategic investments and will deliver significant operational and financial gains.

These projects are the pillar of our growth. These initiatives have been thoughtfully designed to reinforce GHCL performance across market cycles. For our people, we are a great place to work for the ninth year in a row. We are very bullish and confident on what we are doing. We have achieved significant operational efficiencies.

While challenging time is there and is likely to be there for a few quarters, but our operational efficiencies and diversification will be permanent for our benefit. We remain committed to creating sustainable value for our shareholders through strategic foresight and consistent execution. Thank you for your continued trust and support in GHCL.

Now I hand over the call to Mr. Raman for his financial update.

Raman Chopra:

Thank you very much, sir. Good afternoon, everyone, and a warm welcome to our earnings call for the first quarter ended 30 June 2025. We have shown consistency in delivering a performance on the back of our operational excellence and manufacturing efficiencies, despite the unfavorable market pricing trend at the industry level. As I share financial highlights with you, I wish to share certain insights.

Revenue for the quarter came in at INR823 crores compared to INR849 crores in the corresponding quarter of the last year and INR807 crores compared to Q4 of the last year. Although the MIP mechanism has been extended till the end of the year, Q1 reflected the impact of cheaper imports. As we progress into FY '26, we'll see revenue diversification and contribution coming from vacuum salt and bromine initiatives.

EBITDA for the quarter stayed within a range of INR225 crores compared to INR235 crores in Q1 FY '25, and INR244 crores in Q4 of the last year. EBITDA margin remained trend on a Y-on-Y basis at 27.3% compared to 27.7% in Q1 of last year. On a Q-on-Q basis, the EBITDA



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margin showed a decline of 290 bps, reflecting a reduced spread between realization and seasonality, which was partially mitigated by our focus on operating efficiencies.

I will highlight here that it is by design that we are able to focus on profitability through cycles due to prudent approach to business and operational management. Our savings on raw material prices -- raw materials are sustainable and will continue to give benefits.

PAT from the for the quarter decreased to INR145 crores from INR151 crores in the corresponding quarter of the last year, and INR153 crores in Q1 of the last year, thus demonstrating our ability to realize savings in overhead costs and mitigate the impact on profitability due to softer realizations.

For the quarter, we generated INR191 crores in cash profit after tax. Out of this, we spent INR121 crores on growth capex, including bromine and vacuum salt. And INR12 crores on the repayment of loans, while the reduction in working capital by INR4 crores, resulting in a net cash generation of INR63 crores.

Our balance sheet remains strong with INR1,142 crores in cash and investments at the quarter end. This financial agility is the base for our strategic CapEx execution and operational excellence, supporting significant growth headroom. Leveraging this robust position, we are proud to have paid dividend of INR115 crores on July 24. Uniquely, in India, this payout coincided with our AGM, demonstrated our unwavering commitment to immediate shareholder value. GHCL is firmly on the right path for continued financial strength and growth.

With this, I conclude my comments. I would now request the moderator to open the forum for questions and answers. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Nigel from Leo Capital.

Nigel: What are the key sources of our cost advantage? And how would our cost compare versus peers in India and globally in synthetic soda ash? And how much cheaper is natural soda ash to make?

Ravi Jalan: Yes. Mr. Nigel, 3 things you have asked. One is what are the lever of our cost optimization. Second is how do we compare with the local players? And the third is, how is this compared with the natural soda ash. Am I right in understanding?

Nigel: Correct.

Ravi Jalan: Yes. So first and foremost, on the internal efficiency, which I spoke about, is primarily driven by the 2 things: How effectively you use your raw material? And how -- if I can define this in this way, that how much value out of that raw material you can generate or how do you reduce



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your wastages in the entire process is one of the USP we have, either be it a salt, be it a limestone or be it all energy and everything. Our efficiencies and our utilizations are the best-in-class.

In terms of the peer, I don't have a number of the peer. And therefore, I will not be able to comment on that. Coming back to the third point of your natural soda ash. In natural soda ash, if you look at in terms of the -- at the location where it is getting produced, it is definitely going to be cheaper.

But if you compare that landed to the consuming center, the gaps are going to be reduced significantly. We just compared some time back, we compared that with a new natural soda ash plant is being produced and if you take all the cost, all cost of means capital cost, depreciation and everything, I think we are -- the synthetic soda ash in India will be competitive to them as well. I hope I've been able to answer your question.

Nigel: Yes. Got it. And if I can squeeze in another question. By when do you expect Phase 1 and 2. Phase 2 of the new soda ash plant to be operational? And how will the cost structures be in this new plant versus our existing plant?

Ravi Jalan: See, Nigel, very rightly, you said, first and foremost, as you know, that any new large-scale plant when you set up, you do face some challenges, okay? In the past also, we have faced some challenges and some small challenges are still continuing there. Hopefully, we are expecting that both Phase 1 and Phase 2 gets commissioned in the next 3 to 4 years of time. So it is going to take some time. That's number one.

Coming back to the cost when you spoke about the cost competitiveness, of course, initially, the interest and depreciation cost will be on the higher side. However, if you look at the operating costs, operating costs are definitely going to be much better than even the current location what we have because we are using a lot of new technology, if I can say so, the way we are designing the plant, definitely, the cost competitiveness will be better for us in the new location.

Nigel: If you have to quantify, sir, by how much do you think our opex cost in the new plant would be compared to our existing one?

Ravi Jalan: I don't think, Nigel, I will be able to comment on that at this point of time, but I can only tell you that it's going to be definitely much better than the existing plant. And then the second thing is I can only tell you the ballpark number that IRR on this new investments will be in the range of around 18%, 17% to 18% kind of a number will be there on the new plant.

Moderator: The next question is from the line of Saket Kapoor from Kapoor & Co.

Saket Kapoor: Firstly, sir, just to take forward the previous participant question on the new asset. Firstly, I'm audible, sir?



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Ravi Jalan: Yes, you are audible.

Saket Kapoor: Sir, on the greenfield asset, how much have we spent as on date? And what do we envisage or budget for the same for this financial year?

Ravi Jalan: See, Saketji, at this point of time, tentatively, we have spent around INR160 crores to INR180 crores. Broadly, I'll just give you the number. And we are not expecting a very significant amount of expenditure during the current year balance period. Maybe marginal, maybe INR10 crores, INR20 crores can be there. The major spend on this will happen when the physical activity starts, maybe '26, '27 onwards. However, again, the larger portion of that investment will be on the back end of the commissioning of the plant.

Saket Kapoor: Since you mentioned about 2029-'30, we will be ramping up to the Phase 1 and Phase 2. So what should be the gap between Phase 1 and Phase 2 commissioning? Because we have given a cumulative number now that by 2030, the 1 million tonne capacity will be ready to -- on stream. So if you could just give the gap between them.

Ravi Jalan: Yes. So Saket, I just want to give you some -- before I answer this question, let me give you one perspective what we have. First and foremost, India is still an importer of around 1 million tonne. The second, Indian demand growth, the way we are seeing or the way historically, you requires 2.5 to 3 lakh tonnes of the extra volume every year. You can imagine the next 5 years, you will require another 1 million tonnes. That means the overall gap is around 2 million tonnes. And this I'm talking about only on the numbers, which are the conservative in a way, I would say that.

Now even if I take other players growth into the account, we are clearly seeing a significant amount of gap between the demand and supply. Keeping that into mind, the Phase 1 and Phase 2 gap would be very minimal. We have a gap of only 1 year. First, we complete that. And immediately, we start the process for the second this thing, and we try to complete both in a gap of 1, 1.5 year kind of a thing. I hope I've been able to answer your question.

Saket Kapoor: Yes. Sir, in the presentation, which has been revamped very well and kudos to the team for elaborating all aspects. Sir, the MIP part has been mentioned and not only you, but the other major player has also mentioned that MIP has not yielded the desired results.

So if you could just explain what was anticipated from the introduction of MIP and now with the extension? And how are -- how is this MIP extension going to change or affect the margin and the import trajectory going ahead?

Ravi Jalan: First and foremost, as you rightly said, Saketji, we have mentioned in our presentation, MIP has been implemented, has been extended, but we did not got any significant advantage out of that. We are not seeing at least significant advantage.



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The second thing, which I said in my opening remarks, we personally believe the softness has happened in the soda ash prices, maybe slightly more, may likely to happen in the next 1 or 2 quarters. But we don't see a very significant amount of drop beyond that.

Keeping both these things into account, I would say that you can assume very well that overall, you don't see a very big down cycle in the soda ash going forward. Whether this MIP will in the future will give some benefit or not, we don't know. We are also pursuing the antidumping duty. Let's see what happens to the antidumping duty as well.

Saket Kapoor:

Yes, sir, I was coming to that. On the antidumping duty part also, I think some -- whatever is available in the public domain, there was some meeting that concluded sometime in the last week of July. So are the results awaited, the permissions being done by both the parties? Or what is the latest on the same? And when can we hear something on that?

Ravi Jalan:

Meeting has been done where all the stakeholders has been called. The authority has listened to all of them, and they are taking a view on that. As you know, that the antidumping duty has a process, and that will take, what you call, some time. And once the results are known, we will definitely share with our shareholders.

Saket Kapoor:

Right, sir. So sir, just to -- going ahead, as you have very well articulated in your opening remarks. So this 300 basis point reduction, which we have seen in the EBITDA margin Q-on-Q, that will -- that is another mix of some more margin compression that we are expecting going ahead?

And also, how do H2 shape up in terms of now the bromine and the industrial salt getting being commissioned? And what -- how well are we prepared to commercialize or sell these 2 new products going ahead? What is our preparation for that?

Ravi Jalan:

So Saketji, 3 things. One, as you rightly said, second quarter and the '25, '26 numbers, as I mentioned in the opening remarks also, Q2 looks to be challenging. Maybe some price drop will be likely to happen in the 1 or 2 months. That -- and second is the seasonality. So definitely, Q2 number will be a little challenging. How much it will be? We don't know right now because the market is very volatile.

The second, you said about the new product. As I said, new products are likely to be commissioned in this year, '25-'26 and the second part of the -- late second part of '25-'26. And we are well prepared in terms of supply chain and things like that. But these are the 2 projects which are new for us. We are entering into this, which has a long growth story for us, and we are very carefully nurturing these 2 projects. And definitely, you will see the major advantage of this coming in '26-'27.

Saket Kapoor:

And last point, sir, if I may, when I join the queue was regarding the China participation in the global soda ash space. Earlier, sir, as you mentioned and as we have seen that China was



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consuming the -- all the enhanced capacity from the new natural soda ash which they commissioned. And there were very less material that was getting floated in the other geographies.

And taking now into account the recent hearing that China is carrying a huge inventory closer to 1.8 million or 1.9 million tonnes, what are your understanding that the threat of Chinese material now coming and putting more pressure is more the likelihood than the reversal?

Earlier, I think so the domestic demand there was well to take care. And lastly, sir, the green energy participation from the country -- our country, India, how much of our total sales is currently moving towards this -- the solar glass manufacturer, sir? And what kind of uptick we can expect?

Ravi Jalan:

Saketji, first and foremost, China scenario. There are 3 things which I would like to add. One, as I mentioned, the China demand growth has been phenomenal. '23, it was 10%. '24, it was 18% demand growth on such a large scale. And -- but this year, at this point of a time, the demand is muted. When this will get recovered? We don't know right now. That's number one. And this also led a kind of a 10 million tonnes of the extra capacity, largely 10 million of capacity out of that 8 million, 8.5 million tonnes has been added in China itself, including the Inner Mongolia.

So therefore, this is one scenario, which at this point of a time, we are of the view that the moment the Chinese demand recovery starts happening, the surplus situation of China will disappear. And very significant change is not required, a very small change in the Chinese demand will kind of evaporate.

Second, if you remember, last year, China was a net importer. So my personal belief is China can be -- temporarily, can be kind of a high inventory and what you call -- and some exports happening to the other part of the world. But in the longer run, I don't think this can be kind of a big threat to the other producers.

The second point, I think people must have heard it also, Chinese government is also somewhere kind of structurally changing the landscape there, and this will also help us to kind of contain. The third point, as I mentioned in my again, opening remarks, that some of the small uneconomical soda ash players in the synthetic part will have a risk of closure if this situation does not reverse. So hopefully, as I mentioned, in the medium term, we don't see any big challenge because of China.

Saket Kapoor:

And sir, the incremental demand from the solar, how are you seeing things shaping up? We have been working on this story that there would be good demand from the solar glass manufacturer. And I think so many of them, Borosil have also come up with 600 tonne fresh glass making manufacturing, which they are envisaging to come up in the later part of this year or maybe 9



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months from now. So a big demand is expected and our utilization levels, we are running at the industry levels of 95%. If you could just comment on the same?

Ravi Jalan:

See, first and foremost, I think in India, almost all the industries are working on a 90%, 95% kind of a capacity. At least we are working on that. That is number one. If you're talking about the solar glass, I think, yes, all the solar glass producers are running at a full capacity. The second part, which you said in terms of -- just give -- let me give you the perspective, okay?

Currently, around 116 gigawatt of the solar glass capacity is there in India. The government has an aim to make it to 300 gigawatt by 2030. Current consumption in this 116 gigawatt is approximately around 130,000 tonnes of soda ash requirements. We can -- you can just multiply this by 3 -- broadly, okay, to that extent, the demand growth will likely to happen.

The second, again, very important is that a lot of large players, including like you mentioned, the company, other players as well have announced and some of the capacities are coming on stream in the next few months. Major benefit of this expansion you will see in the -- either in the last quarter of this year or full benefit of that will happen in '26, '27.

Saket Kapoor:

I join the queue for 1 bookkeeping question for Raman, sir. May I ask now only or join the queue, sir?

Ravi Jalan:

You can ask.

Saket Kapoor:

Yes, sir. For the other income part, do we have any one-off element? Or is it the treasury gains, Raman sir, that has attributed to the sequential improvement also by 10%? And what's the likelihood run rate for this contribution now we are up to INR27 crores, closer to INR27 crores?

Raman Chopra:

Yes. This is -- there is no one-time gain. This is a treasury income, major.

Saket Kapoor:

Okay. And on the power fuel, there is an increment of around 6%. That is -- what will we attribute that to, sir? From INR154 crores to INR162 crores, INR163 crores?

Raman Chopra:

That is largely due to the price increase in one of the components. That is largely due to that.

Saket Kapoor:

Which component, sir?

Raman Chopra:

It's the petcoke price, which went up.

Saket Kapoor:

Okay. So that is likelihood to continue to put pressure on the margin?

Raman Chopra:

As of now, it is, but you never know, there is so much of volatility. So how the prices will play out, it's -- we are monitoring it on a day-to-day basis. So yes, the impact was due to this price increase.



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- Saket Kapoor:** Sir, on the tax front, how much have we budgeted as an advanced tax number for this quarter, June quarter?
- Ravi Jalan:** I don't think we have at this point in time, we have any such kind of a number which we can share with you.
- Moderator:** The next question is from the line of Aatur from ICICI Prudential Mutual Fund.
- Aatur:** Sir, if you can just help understand versus Q1, how would be the domestic pricing currently as we speak?
- Ravi Jalan:** Aatur, like I said, the current prices are almost maybe around 2% lower than the -- of Q1.
- Moderator:** The next question is from the line of Aditya Khetan from SMIFS Institutional Equities.
- Aditya Khetan:** Sir, you mentioned to an earlier participant that China demand growth was 18% to 20% in the last 2 to 3 years. But sir, what we have seen like in terms of the construction sector was actually struggling in China. So largely, the flat glass and all these segments is for the construction segment only. So how come like this end user segments have performed well when the construction segment has been weak? If you can, sir, quantify with some data like what has actually changed in China and now what has changed?
- Ravi Jalan:** Yes, very right question. First and foremost, as I mentioned, in 2023, the demand growth was 10%. In 2024, the demand growth was 18%. And this was primarily led by the solar glass investments. It was a large capacity expansion has happened in the solar glass along with the lithium. So these are the 2 sectors which has kind of -- done this kind of a growth.
- Aditya Khetan:** Got it. Sir, if you can please highlight like what is the overcapacity in the industry today compared to demand? And how we look like we knew that some capacities have been built up in China. So when will this capacity is likely to operate at peak like -- so will it take 5 to 6 years down the line or will the demand growth will be so good enough so it can cover in a 1- to 2-year time frame only? Any outlook, sir, if you can give?
- Ravi Jalan:** See, I can give you my thoughts on this. First and foremost is that, like I said, the overall capacity, which has been built mainly in China is around 10 million tonnes. If you look at overall globally, approximately around 2.5 million to 3 million tonnes are required a growth because approximately around 80 million is the total demand globally. If you take 3%, you are talking about 2.5 million tonnes of approximately extra requirement every year.
- And the second point which I want to highlight is last year, in spite of a major portion of this expansion, which has been commissioned in China, still they were a net importer. So the moment this 2%, 3% of the demand growth happens in China, probably I think this balancing out will happen. This is what my broader understanding.



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Aditya Khetan: And in terms of a cycle, like of a soda ash cycle, we knew like the peak was somewhere around 2023. And thereafter, the prices and spreads have been continually declining. Sir, what we have seen like most of the commodities like after a 2-year time frame of decline, there has been a bottom, which has been made. So similar is the case with soda ash and how you see like these numbers to be stabilizing? And are we at the bottom of the cycle today?

Ravi Jalan: See, 2 things. First and foremost, if you look at the soda ash and particularly our number, you will see that the margins are not a very significant ups and downs. If I give you the number of 4, 5 years, you will find that on an average, the margins or EBITDA margins are in the range bound, okay?

And 30% -- if I take a few years, I'll see that around 30% of the average EBITDA margins we have been able to achieve. So therefore, there is not -- of course, '23 was one of the exceptional year, if I can say. So don't compare that as a kind of a normal case. If you look at 2 years before 2023, you will see that number, one of the outlier numbers.

Now second question, which you spoke about in terms of the bottom out. See, I already said in my opening comments also that we personally believe maybe a few quarters may be challenging. But because of the -- many of the soda ash producers globally are not been able to cover the what you call cash cost. So definitely, this indicates somewhere we are closer to the bottom of the cycle.

Aditya Khetan: Got it. Got it. Sir, just 1 last question. Sir, if you can share the incremental EBITDA numbers which we will generate from bromine Phase 1, Phase 2 and from the salt business? On the base EBITDA, how much incremental EBITDA we can make from these businesses?

Ravi Jalan: I think on this number, I would like to give you the number, maybe let the plants be operational. You see what happens. We are going in this journey first time. Of course, we have the plan which we made was a kind of a good number, good what you call EBITDA number will be there. However, let the plant be operational. Maybe we have to look at all those things. And probably I will be able to give you a better number maybe once -- maybe in the third or fourth quarter. I think that would be good.

Moderator: The next question is from the line of Rini Mehta from Kotak Securities.

Rini Mehta: Sir, my question is, can you share the volume growth for soda ash during this quarter? And what is the outlook for the rest of financial year '26?

Ravi Jalan: Rini, first and foremost, I mentioned that demand growth in India last year was also 5% and this year likely to be around 5% to 6%. So far as we are concerned, almost, I would say that some small increase in the volume are there in this quarter as compared to the earlier quarters. And as you know that we have a capacity limitation. So therefore, in the coming quarter, you can't see a kind of a significant volume growth into the GHCL.



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- Rini Mehta:** Right, sir. And sir, with solar glass, lithium carbonate and sodium bicarbonate as you have cited as emerging demand drivers. So are you seeing any meaningful offtake yet in these segments?
- Ravi Jalan:** See, basically, we are very optimistic, let me tell you. We are very optimistic on the soda ash journey going forward. Like I mentioned, even if you look at the per capita consumption of the soda ash in India vis-a-vis the globe. If you look at the percentage of uses in India, the glass usage percentage are very insignificant or very small as compared to the global space.
- The way the urbanization is happening, the way the, what you call, cleanness are being pursued and the way the GDP growth of India is happening, we are very bullish that the soda ash consumption per capita will also go up and led by your green energy, be it the green energy in terms of the solar, be it in terms of the lithium carbonate, all those things. So we are very bullish, and I mentioned already that this will lead and the journey of our greenfield project, we will be able to capture these benefits significantly.
- Moderator:** The next question is from the line of Jatin Damania from Svan Investments.
- Jatin Damania:** Sir, just wanted to understand our revenue decline that we have reported year-on-year. So what percentage of this decline can be attributed to a fall in realization because you indicated in the last quarter also that in Q1, the realization was down as compared to Q4 and our current realization is also lower by 2% to 3%. So in Q1, I mean, the 4.5% decline in the revenue, could you -- what sort of decline in the realization we have seen in the soda ash?
- Ravi Jalan:** It's primarily because of the price only.
- Jatin Damania:** Okay. So that means our volumes were flat year-on-year?
- Ravi Jalan:** Yes. Volume is slightly up, as I mentioned, slightly up if you're talking about year-on-year basis or slightly down, maybe very small down. But on a quarter-on-quarter basis, it is yes, slightly up. However, mainly, I would say that this drop in the volume is very small. The major drop which you are seeing in the revenue is primarily because of your realization only.
- Jatin Damania:** Now since you're already operating at the rated capacity and likely to remain muted. So definitely, we won't see any significant jump in the soda ash performance. But what sorts of revenue are we expecting from a bromine and vacuum salt, which we started on the pilot project for FY '26? Or let me put it the other way, at the current realization, what sorts of revenue one can expect from a bromine and the vacuum salt, which is likely to come in second half of FY '26?
- Ravi Jalan:** Jatin, as I mentioned to you that these projects are likely to be in the last quarter of this year. So you won't see any very significant amount of -- because once the plant start operating, it will take some time to kind of a stabilization, quality, getting settled with the customers. All those things will take some time. So I don't think you'll see a very significant amount of marginal



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increase could be there in the last quarter. However, not a very significant improvement. But yes, the benefit of the -- both these projects, you will see in the '26, '27.

Jatin Damania: But sir, can we quantify at current realization, what could be the incremental revenue we can get it from both these projects?

Ravi Jalan: Very difficult at this point in time. I'll come back to you maybe in the second quarter, we'll come back with the number.

Moderator: The next question is from the line of Renuka from FWC.

Renuka: So to a previous participant, you had mentioned an IRR of 17% to 18% in the new greenfield soda ash facility. So my question is, can you please highlight based on like what internal assumptions on margins are you arriving at this number? And also, how much of the capex are you envisioning that will be funded by debt?

Ravi Jalan: See, Renuka, 2 things, as you said. First and foremost, the assumption of the projects. See, what we are always seeing the soda ash in a longer-term play. So I cannot go on the base of what is the current margin. We have to always look at the number on a slightly longer terms first. But we are always being very conservative when we assume our projections. And therefore, these numbers which we have said to you are conservative, but looking at a longer-term view on that. The second point, which you spoke about, what was the second point? I'm sorry, I missed that second point.

Renuka: How much of the capex are you envisioning will be funded by debt?

Ravi Jalan: Yes. See, Renuka, today, as you know, that our balance sheet is a very strong balance sheet. We have almost more than INR1,000 crores of kind of a treasury in our head. And we are almost generating a significant amount of cash. So we personally believe even after this -- both these phases have been completed, still our debt-equity ratio will be less than, I would say, that 1 is to 5.6 kind of a scenario.

So we will be very well -- maybe probably around INR2,000 crores to INR3,000 crores which could be the number. Probably we will be going for a one-time debt, which can gradually can be repaid. And maybe once after the project is completed, maybe another 2 years, we will be again coming back to the same situation of no debt situation.

Renuka: Okay. And just another question. In your opening remarks, you have mentioned that in this calendar year, 1 million tonnes has already been added globally and another is expected. So can you just highlight as to where are these coming online?

Ravi Jalan: See, basically, it is all led by the China. Last year also, if you look at -- Renuka, you will see that all this volume, which has come in, I'll just give you some numbers. It is all -- one second.



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If you look at 10 million tonnes, it is almost out of that, except I would say that 1.5 million tonnes, around 8.8 million tonnes has been added in, in China in the last 2 years. If you look at this 1 million tonnes, it is primarily China, 1.1 million tonnes.

And second is your China -- other -- one unit has put 1.1 million tonnes and rest of the company, small company, 0.9 million tonnes. So 2 million tonnes and 1 million has got closed, led by U.K. player and one is the Poland player. So 1 million has got closed. So net-net, 1 million has been added during this '25.

Moderator: Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to the management for closing comments.

Ravi Jalan: Thank you very much. As I've always been mentioning that GHCL is doing what is in their control, operational efficiencies, cost optimization and building the company for the future -- capturing the future growth of the company. And we'll continue to do that.

And our very clear target is how do we service or how do we create a value for our shareholders. We thank you for all the support which you people have and have a trust on us, and we'll keep honor of those trust and your faith on us. Thank you.

Moderator: Thank you. On behalf of Emkay Global Financial Services Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.