

GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED



**8TH ANNUAL REPORT
2022-23**



GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED

CIN: U24100GJ2015PTC085247

Website: www.gnal.co.in

DIRECTORS

Shri Swaroop P. IAS, Chairman
Shri Kalikinkar Panda, Vice Chairman & Director
Shri Pankaj Mittal, Director
Shri Bibhudatta Mohanty, Director
Smt. Sonali Jingar, Director (upto 10.03.2023)
Smt. Tamanna Patel, Director (w.e.f 01.05.2023)

CHIEF EXECUTIVE OFFICER

Shri Jayesh Shah

CHIEF FINANCIAL OFFICER

Shri Jayesh Thakkar

COMPANY SECRETARY

Shri Jaymeen Patel

STATUTORY AUDITORS

M/s. K. C. Mehta & Co.
Chartered Accountants
Meghdhanush,
Race Course
Vadodara 390007
Phone: 0265-2341626

SECRETARIAL AUDITORS

Shri V L Vyas
Company Secretary in Practice
510, Yashkamal,
Sayajigunj,
Vadodara 390020

INTERNAL AUDITORS

M/s. R C Thakkar & Asso.
Chartered Accountants
432, 4th Floor, Paradise
Complex, Nr. Kala Ghoda
Circle, Sayajigunj
Vadodara 390005

BANKERS

Punjab National Bank
Mid Corporate Branch
Sardar Bhavan, Raopura
Vadodara 390001

State Bank of India
IFSC Banking Unit
GIFT SEZ, GIFT City
Gandhinagar 382355

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd. (Unit: GNAL)
B-102 & 103, Shangrila Complex, First Floor,
Opp. HDFC Bank, Near Radhakrishna Char
Rasta, Akota
Vadodara: 390 020, GUJARAT (INDIA)
Phone: (0265) - 2356573
E-mail: vadodara@linkintime.co.in

SECURITY TRUSTEE

PNB Investment Services Limited
Regd. Office: 10, Rakesh Deep Building,
Yusuf Sarai Commercial Complex,
Gulmohar Enclave,
New Delhi – 110 049

REGISTERED OFFICE

GACL Corporate Building
P.O. Ranoli 391350,
Dist. Vadodara, Gujarat.

PROJECT SITE

Plot No. D/II/9, P.O. Dahej - 392130
Tal. Vagra, Dist. Bharuch,
Gujarat



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NOTICE

NOTICE IS HEREBY given that the Eighth (8th) Annual General Meeting (AGM) of the Shareholders of **GACL-NALCO Alkalies & Chemicals Private Limited** will be held at “Board Room”, GACL Corporate Building, P.O. Ranoli - 391350, Dist. Vadodara on **Tuesday, 25th July, 2023 at 4.15 P.M.** to transact the following Ordinary and Special Business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on 31st March, 2023 together with the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

“**RESOLVED THAT** the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2023 together with the Reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

2. To appoint a Director in place of Shri Kalikinkar Panda (DIN: 08436491), who retires by rotation at this meeting and being eligible, offers himself for reappointment and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Shri Kalikinkar Panda (DIN: 08436491), who retires by rotation at this Annual General Meeting, be and is hereby appointed as a Director of the Company.”

SPECIAL BUSINESS

3. **Appointment of Shri Swaroop P. IAS (DIN: 08103838) as Director liable to retire by rotation.**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as **Ordinary Resolution**:

“**RESOLVED THAT** Shri Swaroop P. IAS (DIN: 08103838), who was appointed as Director and Chairman of the Company w.e.f. 9th August, 2022, be and is hereby appointed as Director and Chairman of the Company, liable to retire by rotation.”

4. **Appointment of Shri Pankaj Mittal (DIN: 09611373) as Director liable to retire by rotation.**



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To consider and if thought fit, to pass, with or without modification(s), the following Resolution as **Ordinary Resolution**:

“RESOLVED THAT Shri Pankaj Mittal (DIN: 09611373), who was appointed as Director of the Company w.e.f. 7th July, 2022, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

5. **Appointment of Shri Bibhudatta Mohanty (DIN: 09706036) as Director liable to retire by rotation.**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as **Ordinary Resolution**:

“RESOLVED THAT Shri Bibhudatta Mohanty (DIN: 09706036), who was appointed as Director of the Company w.e.f. 1st September, 2022, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

6. **Appointment of Smt. Tamanna Patel (DIN: 10130223) as Director liable to retire by rotation.**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as **Ordinary Resolution**:

“RESOLVED THAT Smt. Tamanna Patel (DIN: 10130223), who was appointed as Director of the Company w.e.f. 1st May, 2023, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

By Order of the Board
For GACL-NALCO Alkalies & Chemicals Private Limited

Sd/-
Jaymeen Patel
Company Secretary

Place: Vadodara
Date : 28.04.2023

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective, must be received by the Company, at its Registered Office not less than 48 hours before the Meeting.**



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2. IN CASE OF BODY CORPORATE MEMBER(S) (VIZ COMPANIES ETC), AUTHORISATION IS TO BE DONE BY THE BOARD OF THAT BODY CORPORATE IN FAVOUR OF ANY PERSON AS PER THE PROVISIONS OF SECTION 113 OF COMPANIES ACT, 2013, WHO SHALL ACT AS THE REPRESENTATIVE OF THAT BODY CORPORATE AND SHALL HAVE SAME RIGHT AND POWERS ON BEHALF OF BODY CORPORATE AS IF IT WERE AN INDIVIDUAL MEMBER. THE AUTHORISED REPRESENTATIVE SHALL SEND THE CERTIFIED TRUE COPY OF THE RESOLUTION ALONG WITH REPRESENTATION LETTER AT THE REGISTERED OFFICE OF THE COMPANY TO REACH BEFORE THE DATE OF GENERAL MEETING.
3. All documents referred to in the accompanying Notice and the Explanatory Statement and Register of Directors and Key Managerial Personnel, Register of contracts or arrangements in which directors are interested shall be open for inspection at the Registered Office of the Company during normal business hours (08:30 A.M. to 5:15 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.
4. A Statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of business under Item Nos. 3 and 5 is annexed to the Notice. The particulars of qualification, experience and other Directorships etc. of the Directors proposed to be appointed / reappointed are given in the Annexure - I forming part of this Notice.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Shri Swaroop P. IAS was appointed as Chairman and Director of the Company vice Shri Harshad Patel, IAS w.e.f. 9th August, 2022.

As per Section 152(2) of the Companies Act, 2013 ("Act"), every director shall be appointed by Company in general meeting unless otherwise provided in the Articles. Further, as per Section 152(6)(a) of the Act, unless the Articles provides for retirement of all directors at every annual general meeting, not less than two-third of total number of directors of a public company, shall be persons whose period of office is liable to determination by retirement of directors by rotation and save as otherwise expressly provided in this Act, be appointed by the Company in general meeting. The Directors have evaluated performance of Shri Swaroop P. IAS as per the performance evaluation criteria laid down in the policy formulated by the Board of Directors of the Company. As per the said Performance Evaluation Report, it is recommended to appoint Shri Swaroop P. IAS as Chairman and Director of the Company. Brief profile of Shri Swaroop P. IAS along with other details as required pursuant to provisions of the Companies Act, 2013 read with Secretarial Standards as applicable is given in the Annexure I forming part of this Notice. Accordingly, the Resolution at Item No. 3 to the Notice in respect of appointment of Shri Swaroop P. IAS as Director liable to retire by rotation is recommended for your approval.



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Except Shri Swaroop P. IAS, none of the other Directors/Key Managerial Personnel of the Company and their relatives is/are in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution No. 3 of the Notice.

The Board recommends the Resolution at Item No. 3 of the Notice for your approval.

Item No. 4

Shri Pankaj Mittal was appointed as Director of the Company w.e.f. 7th July, 2022.

As per Section 152(2) of the Companies Act, 2013 ("Act"), every director shall be appointed by Company in general meeting unless otherwise provided in the Articles. Further, as per Section 152(6)(a) of the Act, unless the Articles provides for retirement of all directors at every annual general meeting, not less than two-third of total number of directors of a public company, shall be persons whose period of office is liable to determination by retirement of directors by rotation and save as otherwise expressly provided in this Act, be appointed by the Company in general meeting. The Directors have evaluated performance of Shri Pankaj Mittal as per the performance evaluation criteria laid down in the policy formulated by the Board of Directors of the Company. As per the said Performance Evaluation Report, it is recommended to appoint Shri Pankaj Mittal as Director of the Company. Brief profile of Shri Pankaj Mittal along with other details as required pursuant to provisions of the Companies Act, 2013 read with Secretarial Standards as applicable is given in the Annexure I forming part of this Notice. Accordingly, the Resolution at Item No. 4 to the Notice in respect of appointment of Shri Pankaj Mittal as Director liable to retire by rotation is recommended for your approval.

Except Shri Pankaj Mittal, none of the other Directors/Key Managerial Personnel of the Company and their relatives is/are in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution No. 4 of the Notice.

The Board recommends the Resolution at Item No. 4 of the Notice for your approval.

Item No. 5

Shri Bibhudatta Mohanty was appointed as Director of the Company w.e.f. 1st September, 2022.

As per Section 152(2) of the Companies Act, 2013 ("Act"), every director shall be appointed by Company in general meeting unless otherwise provided in the Articles. Further, as per Section 152(6)(a) of the Act, unless the Articles provides for retirement of all directors at every annual general meeting, not less than two-third of total number of directors of a public company, shall be persons whose period of office is liable to determination by retirement of directors by rotation and save as otherwise expressly provided in this Act, be appointed by the Company in general meeting. The Directors have evaluated performance of Shri Bibhudatta Mohanty as per the performance evaluation criteria laid down in the policy formulated by the Board of Directors of the Company. As per the said Performance Evaluation Report, it is recommended to appoint



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Shri Bibhudatta Mohanty as Director of the Company. Brief profile of Shri Bibhudatta Mohanty along with other details as required pursuant to provisions of the Companies Act, 2013 read with Secretarial Standards as applicable is given in the Annexure I forming part of this Notice. Accordingly, the Resolution at Item No. 5 to the Notice in respect of appointment of Shri Bibhudatta Mohanty as Director liable to retire by rotation is recommended for your approval.

Except Shri Bibhudatta Mohanty, none of the other Directors/Key Managerial Personnel of the Company and their relatives is/are in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution No. 5 of the Notice.

The Board recommends the Resolution at Item No. 5 of the Notice for your approval.

Item No. 6

Smt. Tamanna Patel was appointed as Director of the Company w.e.f. 1st May, 2023.

As per Section 152(2) of the Companies Act, 2013 ("Act"), every director shall be appointed by Company in general meeting unless otherwise provided in the Articles. Further, as per Section 152(6)(a) of the Act, unless the Articles provides for retirement of all directors at every annual general meeting, not less than two-third of total number of directors of a public company, shall be persons whose period of office is liable to determination by retirement of directors by rotation and save as otherwise expressly provided in this Act, be appointed by the Company in general meeting. Brief profile of Smt. Tamanna Patel along with other details as required pursuant to provisions of the Companies Act, 2013 read with Secretarial Standards as applicable is given in the Annexure I forming part of this Notice. Accordingly, the Resolution at Item No. 6 to the Notice in respect of appointment of Smt. Tamanna Patel as Director liable to retire by rotation is recommended for your approval.

Except Smt. Tamanna Patel, none of the other Directors/Key Managerial Personnel of the Company and their relatives is/are in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution No. 6 of the Notice.

The Board recommends the Resolution at Item No. 6 of the Notice for your approval.

By Order of the Board
For GACL-NALCO Alkalies & Chemicals Private Limited

Sd/-
Jaymeen Patel
Company Secretary

Place: Vadodara
Date : 28.04.2023



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ANNEXURE I

DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT BY THE SHAREHOLDERS OF THE COMPANY AT THE ENSUING ANNUAL GENERAL MEETING IN PURSUANCE OF THE COMPANIES ACT, 2013 READ WITH APPLICABLE SECRETARIAL STANDARDS

Name of Director	Shri Swaroop P. IAS	Shri Kalikinkar Panda
DIN	08103838	08436491
Date of Birth	25.04.1978	18.06.1963
Date of first appointment on the Board	09.08.2022	07.05.2019
No. of shares held in GNAL either by self or beneficially for other person as on 31.03.2023	NIL	NIL
Relationship with other Directors / Key Managerial Personnel	No relationship with other Directors / Key Managerial Personnel.	No relationship with other Directors / Key Managerial Personnel.
Qualifications	IAS Officer (2003 batch), Bachelor of Physiotherapy, Master of Science in Applied Psychology, Master's in International Development Policy.	B.Sc (Engineering, Electrical), M.S. (Pollution control), PDIS
Nature of Expertise in specific functional areas/Experience	<p>Shri Swaroop P. IAS is Commissioner of Land Reforms & Ex-officio Secretary to Government, Revenue Department, Gandhinagar.</p> <p>He has held various important positions in Government of Gujarat (GoG) like Assistant Collector in Rajula in Amreli District; District Development Officer (DDO), Panchmahals; Municipal Commissioner, Jamnagar; District Collector, Gandhinagar; Additional Commissioner, Industries Department; Collector & District Magistrate, Sabarkantha; Secretary, Tribal Development, Gandhinagar; Municipal Commissioner, Vadodara.</p> <p>He has also served as Managing Director of Uttar Gujarat Vij Company Limited and Managing</p>	<p>Shri Kalikinkar Panda has more than 35 years of experience and is currently working with NALCO as an Executive Director (Project-Mines) I/c at Corporate Office, Bhubaneswar.</p> <p>He looked after various functions such as: Commissioning and Electrical maintenance of Aluminium Smelter, NALCO, in-charge of safety, environment, quality control and management standards implementation at Smelter and Captive Power Plant of NALCO; in-charge of Operation and Maintenance as General Manager in 1200 MW Captive Power Plant, NALCO; in-charge of Captive Power Plant as unit head and factory manager, NALCO; and in-charge of Project-Mines and</p>



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	<p>Director of Industrial Extension Bureau (iNDEXTb). He has held Directorship in various companies viz., Vadodara Gas Limited, Vadodara Jal Sanchay Private Limited, Gujarat Water Resources Development Corporation Limited, Gujarat Livelihood Promotion Company Limited and Vadodara Smart City Development Limited. He is a Managing Director of Gujarat Alkalies and Chemicals Limited.</p>	<p>Business Development at Corporate Office, Bhubaneswar.</p> <p>He completed B.Sc (Engineering, Electrical), M.S. (Pollution control), PDIS.</p>
Names of other Companies in which Directorship is held	<ul style="list-style-type: none"> o Gujarat Alkalies and Chemicals Ltd. o Gujarat Industries Power Co. Ltd. o Gujarat Guardian Limited o Gujarat Chemical Port Limited o Gujarat State Energy Generation Ltd. o Gujarat Energy Transmission Corporation Limited 	NIL
Names of the Committees of the Board of Companies in which Membership/ Chairmanship is held	<p>Gujarat Alkalies and Chemicals Ltd.</p> <ul style="list-style-type: none"> o Audit Committee - Member o Stakeholders' Relationship-cum-Investors' Grievance Committee - Member o Risk Management & Sustainability Committee - Member o Corporate Social Responsibility Committee - Member o Corporate Environment Responsibility Committee - Member o Personnel Committee - Member o Selection Committee - Member o Project Committee - Member o Nomination Cum Remuneration Committee - Member 	<p>GACL-NALCO Alkalies & Chemicals Pvt. Ltd.</p> <ul style="list-style-type: none"> o Share Allotment Committee - Chairman o Project Committee - Chairman o Corporate Environment Responsibility Committee - Member



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	o Committee of Directors of the Company in the Matter of M/s. SOPL – Member	
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Name of Director	Shri Pankaj Mittal	Shri Bibhudatta Mohanty
DIN	09611373	09706036
Date of Birth	05.06.1970	01.06.1964
Date of first appointment on the Board	07.07.2022	01.09.2022
No. of shares held in GNAL either by self or beneficially for other person as on 31.03.2023	NIL	NIL
Relationship with other Directors / Key Managerial Personnel	No relationship with other Directors / Key Managerial Personnel.	No relationship with other Directors / Key Managerial Personnel.
Qualifications	B. Tech (Chemical), MBA (Marketing) and APMP from IIM-Calcutta	B Sc (Mechanical) and MBA (Finance) and member of Institute of Chartered Shipbrokers, London
Nature of Expertise in specific functional areas/Experience	Shri Pankaj Mittal is having more than 28 years of experience in steering ROI Accountability, Business Development, Marketing Strategy for Growth, Sales, Marketing, Dealer's Management, Credit/ Fund management with in-depth understanding of critical business drivers in Multiple Sectors. He is active member of All India Management Association. He has earlier worked in various capacities with Aditya Birla Group. Astute Entrepreneur who holds the distinction of converting loss-making business operations into profit making business operations. Mr. Mittal has vast knowledge in Sales & Marketing of Bulk Chemicals, Specialty Chemicals, Industrial Products, Industrial Gases for various Segments etc.	Shri Mohanty is currently working with National Aluminium Company Limited (NALCO) as Group General Manager (Materials) at Bhubaneswar and responsible for centralized procurement of major raw materials of the company in timely and cost-effective manner and also responsible for implementation of Integrity Pact as Nodal Officer, achieving procurement targets from MSEs and GeM portal. He is having over 35 years of experience in the field of Captive Power Plant, Marketing, Port Facilities and Corporate Materials, Alumina exports, Procurement of major raw materials and related functions etc.
Names of other Companies in which Directorship is held	NIL	NIL
Names of the Committees of the	GACL-NALCO Alkalies & Chemicals Pvt. Ltd.	GACL-NALCO Alkalies & Chemicals Pvt. Ltd.



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Board of Companies in which Membership/ Chairmanship is held	<ul style="list-style-type: none"> ○ Share Allotment Committee - Member ○ Project Committee - Member ○ Corporate Environment Responsibility Committee - Member ○ Selection Committee - Member 	<ul style="list-style-type: none"> ○ Corporate Social Responsibility Committee - Member ○ Selection Committee - Member
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Name of Director	Smt. Tamanna Patel
DIN	10130223
Date of Birth	28.03.1979
Date of first appointment on the Board	01.05.2023
No. of shares held in GNAL either by self or beneficially for other person as on date of appointment.	NIL
Relationship with other Directors / Key Managerial Personnel	No relationship with other Directors / Key Managerial Personnel.
Qualifications	Chartered Accountant
Nature of Expertise in specific functional areas/Experience	Smt. Tamanna Patel is a Bachelor of Commerce and a member of Institute of Chartered Accountants of India (2003). She is having 17 years of rich and diversified experience in the field of Financial Accounting, MIS Reporting, Internal and Statutory Audits, Managing Asset Register of the Company and Employees Provident Funds Management etc. She is associated with Gujarat Alkalies and Chemicals Limited for more than 14 years and at present serving as Senior Manager (Finance).
Names of other Companies in which Directorship is held	NIL
Names of the Committees of the Board of Companies in which Membership/ Chairmanship is held	GACL-NALCO Alkalies & Chemicals Pvt. Ltd. <ul style="list-style-type: none"> ○ Corporate Environment Responsibility Committee - Member



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BOARD'S REPORT

To,
The Members,
GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED
VADODARA.

Your Directors present this 8th Annual Report of the Company on the business and operations of the Company together with the Audited Financial Statements for the year ended on 31st March, 2023 and the report of the Auditors thereon.

PERFORMANCE AND FINANCIAL RESULTS

FINANCIAL SUMMARY

The financial statements have been prepared in accordance with "Ind AS" as notified under the Companies (Indian Accounting Standard) Rules, 2015.

a) Sources of Financing and Project Expenditure:

The total authorized and paid-up equity share capital at the end of the financial year was Rs. 690 Crore. There was no equity contribution raised from the promoters during the financial year under review. In order to meet project expenditure, Rupee Term Loan (RTL) of Rs. 876 Crore and External Commercial Borrowings (ECB) of equivalent to Rs. 725.57 Crore was drawn till the end of the financial year under review. At the end of the year, the project expenditure incurred was Rs. 2118.80 Crore as against the overall approved Project Cost of Rs. 2300 Crore.

b) Business Operations:

The 2X65 Cogeneration Captive Power Plant (CPP) and 800 TPD Caustic Soda Plant (CSP) of the Company are being commissioned progressively. At the end of the year, various units of CPP like ETP, Ash handling system for U#2 etc were successfully commissioned. Further Boiler U#2 was successfully lit up and activities like alkali boil out, steam blowing and the barring gear of turbine were successfully commissioned. Plant availability factor of 93% with 99% in last quarter and Plant load factor of 51% with 73% in the last quarter were achieved. Along with the above, all 8 electrolyzers, Balance salt handling equipment, the Hydrogen system, cross country pipe line for Caustic Soda Lye (CSL) from GNAL to CH 17 GACL was commissioned. CSL was successfully pumped to CH17 and onwards to the rail rake and ship.

As on 30th March, 2023, the Company successfully completed start-up of the 800 TPD (ton per day) Caustic flaking unit, and produced 59770 MT of Caustic Soda Lye of 48% concentration. Of the same, 49600 MT were sold on the said date. During the year, the Company has supplied 17600 MT to National Aluminium Company Limited ("NALCO"). Sales of Hydrogen were also initiated after commissioning of the systems.



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- c) The financial performance of the Company for the year ended 31st March 2023 is summarized below:

(Rs. In lakhs)

Sl. No	Particulars Income & Expenditure	FY 22-23	FY 21-22
I	Revenue from operation	27,246.77	42.47
II	Non-operating Income	1,005.91	19.58
III	Total Income	28,252.68	62.05
IV	Expenses:		
	(a) Raw Material consumed	20,250.17	42.47
	(b) Employee benefit expenses	831.10	155.05
	(c) Finance Cost	8,134.02	13.80
	(d) Depreciation and amortisation	7,889.13	86.77
	(e) Other expenses	18,829.38	133.52
	Total expenses [sum of (a) to (e)]	55,933.80	431.61
V	Profit / (Loss) before tax	(27,681.11)	(369.56)
VI	Tax expenses	(0.00)	0.00
VII	Profit and Loss for the period	(27,681.11)	(369.56)

Status of the project

All efforts were made to complete the project in spite of various issues faced by the Company from the EPC vendors and other vendors. Efforts were made financially as well as steps like providing man power and sub vendors by GNAL at the risk and cost of the vendor which resulted in completion of a lot of critical works especially in the CPP.

The overall progress achieved for the project (i.e. Caustic Soda Plant and Captive Power Plant) as at the end of financial year 2022-23 was 98.49%.

Captive Power Plant

The overall progress achieved of the Captive Power Plant was 97.18% and overall progress achieved in the BTG package was 98.38% and in the BOW was 95.95%

All utilities like compressed air, DM water, raw water, partial ETP, Steam, Power etc. were given to both Caustic Soda Plant of GNAL and Chloromethane Plant of GACL.

During the year, in order to mitigate the risk of further delays, the Company initiated the process of directly engaging the services of Contractor for erection activities of certain plant and machineries as well as for the operation and maintenance of Captive Power Plant which actually helped in the commissioning of the utilities and the second boiler during the financial year.

U#2 of Power Plant is in the final stages of commissioning and is expected to be operational in May 2023.



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Caustic Soda Plant

The Company achieved the successful commissioning of all 8 electrolyzers. The overall progress achieved of the Caustic Soda Plant was 98.8% at the end of the financial year 2022-23. The pipeline laying of cross-country caustic soda supply line and storm water pipeline have been completed and commissioned.

As on 30th March 2023, the Company successfully completed start-up of the 800 TPD (ton per day) Caustic Evaporation Unit (CEU) and produced 59770 MT Caustic Soda Lye of 48% concentration.

Erection of the SRS system is under erection and expected to be completed by October 2023. Caustic flaking unit is under final commissioning and production activities are expected to start in April 2023.

Financial Closure

Financial Closure for Rs. 2,300 Crore was completed during the financial year 2022-23. However, Scheduled Commercial Operation Date (SCOD) was 30th March, 2022. The First instalment repayment date is 30th April, 2023, for which DSRA of Rs. 40.41 Crore has been created from internal accruals of the Company.

The Company was sanctioned and renewed working capital facilities of Rs.160 Crores (Rs.120 Crores Fund based and Rs.40 Crores on Non-fund based) from State Bank of India (SBI) and Punjab National Bank (PNB) in 50:50 ratio. The Company approached Bank of Baroda for availing unsecured loans of Rs. 100 Crores for which required documents have been submitted to the Bank and sanction is expected by end of May 2023.

Credit Rating

During the year, CARE Rating Limited has reaffirmed the "Care A Stable" rating for Rs. 1810 Crore long term facility comprising of Rupee Term Loan (RTL) facility from Punjab National Bank (PNB) of Rs. 880 Crore and External Commercial Borrowings (ECB) facility of USD 100 Million (not exceeding Rs. 730 Crore) from the State Bank of India (SBI) and Rs. 200 Crore short term borrowings.

DIVIDEND AND RESERVES

During the year under review, the Directors do not recommend any dividend and no amount is to be transferred to the reserve.

MATERIAL SUBSIDIARY

Your Company became a Material Subsidiary of GACL effective from 1st April 2020. As per the Audited Annual Financial Statements for the Financial Year ended 31.03.2022,



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net worth of the Company exceeded 10% of the consolidated net worth of GACL and therefore, your Company continued to be a Material Subsidiary of GACL for the financial year under review.

Various requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and obligations of GNAL on becoming Material Subsidiary Company of GACL were complied with during the year under review.

DISCLOSURES UNDER SECTION 134(3)(L) OF THE COMPANIES ACT, 2013

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS / OUTGO

Production activities of Caustic Soda Lye are now stabilized. Now the efforts are underway to meet the design parameters in terms of quality, operability and achieve the critical parameters.

On the Captive Power Plant front efforts are being put up to meet the designed parameters of the units. Further trials are planned to take trials of firing bio mass with coal in the form of pellets and briquets.

During the financial year, the Company does not have any foreign exchange earnings in revenue account. However, the company has paid Rs. 37.33 Crores towards ECB Interest, purchase of capital equipment and Rs. 8.83 Crores have been paid towards availing services during the year.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANY

Your Company is the joint venture Company of Gujarat Alkalies and Chemicals Limited (GACL), a Company promoted by the Government of Gujarat and National Aluminium Company Limited (NALCO), a Government of India Enterprise (a Navratna Company). GACL and NALCO are holding 60% and 40% of the total equity share capital in the Company respectively. Your Company is a subsidiary of GACL as per the provisions of the Companies Act, 2013 and rules made thereunder and Material Subsidiary Company of GACL as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Company is also an Associate Company of NALCO.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has in place adequate internal financial controls with reference to financial reporting. As per the relevant provisions of the Companies Act, 2013, the Statutory Auditors have expressed their views on the adequacy of Internal Financial Controls over



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financial reporting and they were operating effectively as at 31st March, 2023 as stated in their Audit Report ended on that date.

RISK MANAGEMENT

The Board approved the Risk Management Policy of the Company along with Risk Management Report as recommended by the Project Committee. The Board also approved the Internal Risk Assessment Committee comprising of Chief Financial Officer as its Chairman and other members i.e. Primary Owner and Cross Functioning Team Members. The Risk Assessment Committee is meeting frequently to assess the various risks identified as per the Risk Management Report approved and its mitigation plan and to submit its Report to the Project Committee and the Board on regular basis.

CORPORATE SOCIAL RESPONSIBILITY

As on 31st March, 2020, the net worth of the Company (i.e. Rs.596.96 Crore) exceeded the thresholds of Rs.500 Crore as mentioned under the provisions of Section 135 of the Companies Act, 2013 and hence, provisions related to Corporate Social Responsibility (CSR) under the Companies Act, 2013 and rules made thereunder were become applicable from the financial year 2020-21. The Board of Directors of the Company at its Meeting held on 20th May, 2020 constituted CSR Committee of the Company which was subsequently reconstituted from time to time.

The CSR Committee has formulated and recommended to the Board, a CSR Policy identifying the activities to be carried out by the Company and the said CSR Policy was approved by the Board of Directors at their Meeting held on 24th July, 2020. The CSR Policy was further amended during the financial year. The CSR Policy may be accessed on the Company's website at the weblink: <http://www.gnal.co.in/writereaddata/Portal/Images/CSR-Policy-GNAL-V2-22-07-2021.pdf>

As per the provisions of Section 135 of the Companies Act, 2013, there was loss in the last three financial year, the Company was not required to spend any CSR expenditure during the Financial Year 2022-23.

CORPORATE ENVIRONMENT RESPONSIBILITY

Ministry of Environment, Forest and Climate Change (MoEFCC) Impact Assessment Division, Government of India vide its Office Memorandum dated 1st May, 2018 prescribed certain percentage of investment / additional investment towards greenfield project / brownfield project which are required to be allocated by the respective Company undertaking such projects towards Corporate Environment Responsibility (CER) obligations. The Company has constituted "Corporate Environment Responsibility" (CER) Committee to carry out its CER obligations as per the Environment Clearances (ECs) issued for its Projects by the appropriate authority.



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DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Appointment / reappointment / cessation of Directors and Key Managerial Personnel

As per Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Shri K K Panda will retire by rotation and being eligible, offers herself for reappointment at the ensuing Annual General Meeting of the Company.

During the year following changes took place on the Board of the Company:

Sr No.	Name & Designation of the Director	Appointment / Cessation	Date of Appointment / Cessation
1	Shri G S Paliwal (Director)	Cessation	4 th May, 2022
2	Shri Pankaj Mittal (Director)	Appointment	7 th July, 2022
3	Shri Harshad Patel, IAS (Director and Chairman)	Cessation	28 th July, 2022
4	Shri Swaroop P. IAS (Director and Chairman)	Appointment	9 th August, 2022
5	Shri B D Mohanty (Director)	Appointment	1 st September, 2022
6	Smt. Binuta Patra (Director)	Cessation	31 st August, 2022
7	Smt. Sonali Jingar (Director)	Appointment	1 st September, 2022
8	Shri Sanjay S Bhatt (Director)	Cessation	31 st August, 2022
9	Smt. Sonali Jingar (Director)	Cessation	10 th March, 2023

The Board places on record its sincere appreciation for invaluable services rendered and contribution made by the directors during their tenure as Directors of the Company.

As per Section 152 of the Companies Act, 2013 and Articles of Association of the Company, the appointment of Shri Swaroop P. IAS, Shri Pankaj Mittal and Shri B D Mohanty as Directors liable to retire by rotation is recommended by the Board for your approval.

Following changes took place with respect to appointment and cessation of Key Managerial Personnel of the Company :

Sr No.	Name & Designation of the KMP	Appointment / Cessation	Date of Appointment / Cessation
1	Shri Ketan J Shah (Chief Executive Officer)	Cessation	30 th June, 2022
2	Shri Sudhir Bhargava (Chief Executive Officer)	Appointment	1 st July, 2022



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3	Shri N B Tripathy (Chief Financial Officer)	Cessation	5 th July, 2022
4	Shri M V Mistry (Company Secretary)	Cessation	7 th July, 2022
5	Shri Jaymeen Patel (Company Secretary)	Appointment	8 th July, 2022
6	Shri Sudhir Bhargava (Chief Executive Officer)	Cessation	31 st August, 2022
7	Shri Jayesh Shah (Chief Executive Officer)	Appointment	1 st September, 2022
8	Shri Jayesh Thakkar (Chief Financial Officer)	Appointment	24 th January, 2023

As per the provisions of Section 203 of the Companies Act, 2013, Shri Jayesh Shah, Chief Executive Officer; Shri Jayesh Thakkar, Chief Financial Officer and Shri Jaymeen Patel, Company Secretary are the Key Managerial Personnel of the Company.

B. Board Evaluation

As per the provisions of the Companies Act, 2013, annual performance evaluation of the Board, its Committees, Individual Director and Chairperson were carried out by the Board. The manner in which the evaluation has been carried out has been explained hereunder:

The Company has developed separate checklist for performance evaluation of the Board, its Committees and individual Directors i.e. (i) Performance evaluation of Non-executive Directors other than Managing Director, Whole-time Director and Executive Director and (ii) Performance evaluation of the Board, its Committees and Chairperson of the Company. The checklists were circulated to all the Board Members for their feedbacks.

The Company has adopted internal evaluation process and accordingly, each Director is required to evaluate the performance of other directors. The performance evaluation of the Board, its Committees and of the Chairperson shall be done by the entire Board.

The Directors are required to give their ratings / comments / feedback as per the parameters defined under the respective checklists.

The duly completed checklist is required to be submitted to the Company Secretary. The Company Secretary prepares summary of report based on the checklist received from the Directors and puts up to the Board for its review and approval.

C. Meetings of the board of directors, its committees

During the financial year, six (6) Board meetings were held on 17th May, 2022, 7th July, 2022, 22nd July, 2022, 21st October, 2022, 24th January, 2023 and 20th March, 2023. The maximum interval between any two meetings was well within the maximum period prescribed under the Companies Act, 2013.



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During the financial year, six (6) Project Committee Meetings were held on 17th May, 2022, 22nd July, 2022, 21st October, 2022 and 24th January, 2022.

AUDITORS

A. Statutory Auditors

M/s. K C Mehta & Co. (Firm Registration No. 106237W), Chartered Accountants, Vadodara, was appointed as the Statutory Auditors of the Company by the members at its Annual General Meeting (AGM) held on 22nd July, 2021 to hold office for a period of five (5) consecutive years from the conclusion of 6th AGM till the conclusion of 11th AGM of the Company.

As per the Companies (Amendment) Act, 2017, the provision under Section 139(1) of the Companies Act, 2013 with respect to ratification of the appointment of Statutory Auditors by the members at every AGM is omitted.

The Auditor's Report to the Members for the year under review does not contain any qualification, reservation or adverse remark or disclaimer.

B. Internal Auditors

The Company has appointed M/s. R C Thakkar & Associates, Chartered Accountants, as Internal Auditors for conducting Internal Audit of the Company for the financial year 2023-24. The Internal Auditors independently evaluate the internal controls, adherence to and compliance with the procedures, guidelines and statutory requirements. Internal Audit Report is submitted to Board on quarterly basis. Based on the reports of the Internal Auditors, the corrective actions, if any, are taken by the Management.

The Company has, in all material respects, adequate internal financial control system and such internal financial controls were operating effectively as at 31.03.2023.

C. Cost Auditors

The Company has maintained necessary cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014. The Company is not subject to cost audit in absence of fulfilment of requisite criteria during the financial year.

D. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Shri Vijay L Vyas, Practicing Company Secretary, Vadodara to undertake the Secretarial Audit of the Company for the financial year 2022-23. The Report of the Secretarial Auditors is annexed herewith as **Annexure I**. The Report does not contain any qualification, reservation or adverse remark or disclaimer.



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PARTICULARS OF EMPLOYEES

There was no employee who (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was equal to or in excess of one crore and two lakh rupees; (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was equal to or in excess of eight lakh and fifty thousand rupees per month; and if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, was in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company has entered into transactions with related parties, i.e. Gujarat Alkalies and Chemicals Limited (GACL) and National Aluminium Company Limited (NALCO) with respect to payment of lease rental, payment of deputation allowance to the employees deputed by GACL and NALCO and reimbursement of other expenses etc. which are forming part of the financial statements for the year ended 31.03.2023.

Definitive Agreements

Pursuant to provisions of the Articles of Association of the Company read with Joint Venture-cum-Shareholders Agreement dated 23rd June, 2015 ("JV Agreement") entered into between Gujarat Alkalies and Chemicals Limited ("GACL") and National Aluminium Company Limited ("NALCO"), the Company may enter into various Definitive Agreements viz., Agency Agreement, Infrastructure Sharing Agreement and Manpower Services Agreement with GACL.

The Company has executed various Definitive Agreements viz., Agency Agreement, Infrastructure Sharing Agreement and Manpower Services Agreement with GACL. The transactions under the said Agreements, when entered into, would be considered as Related Party Transactions as per the provisions of the Companies Act, 2013 and rules made thereunder and in the ordinary course of business and at arm's length. Necessary approvals for the same were accorded by the Board of Directors of the Company. The prior approval of the shareholders was also obtained during the financial year anticipating that the value of transactions under the respective Agreements may exceed the limit specified under the Companies Act, 2013 with the rules framed thereunder.

Since, all the contracts / arrangements / transactions with Related Parties during the year were in the ordinary course of business and the same were at arm's length and not being material transaction as defined under the Act / Rules, disclosure in Form AOC-2 under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not required.



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Your Directors draw attention of the Members to Note No. 33 to the Financial Statements which sets out Related Party disclosures.

LOANS, GUARANTEES OR INVESTMENTS

The Company has not given / made any loans, guarantees and investments under Section 186 of the Companies Act, 2013.

ANNUAL RETURN

In accordance with the amended provisions of Section 134(3)(a) of the Companies Act, 2013, an Annual Return of the Company for the financial year 2022-23 in Form MGT-7 is available on the website of the Company at www.gnal.co.in.

VIGIL MECHANISM / WHISTLE BLOWER MECHANISM

The Board of Directors of the Company at its Meeting held on 7th May, 2019 approved the 'Vigil Mechanism-cum-Whistle Blower Policy' as per the requirements of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Boards and its powers) Rules, 2014. The Policy is applicable to all Directors and Employees of the Company.

As per the Policy, a whistle blower can make protected disclosures to the Chairman of the Company or to the Audit Committee. During the Financial Year 2022-23, no unethical and improper practice or any other wrongful conduct in the Company by any person was reported under the said Policy.

The Vigil Mechanism-cum-Whistle Blower Policy may be accessed on the Company's website at the weblink i.e. <http://www.gnal.co.in/writereaddata/Portal/Images/pdf/Vigil-Mechanism-cum-Whistle-Blower-Policy.pdf>

CODE OF CONDUCT

The Board of Directors of the Company at its Meeting held on 7th May, 2019 has approved and adopted "Code of Conduct" for the Directors as well as Senior Management Personnel of the Company.

The Code of Conduct for the Directors and Senior Management Personnel are available on the Company's website at weblinks: <http://www.gnal.co.in/writereaddata/Portal/Images/pdf/Code-of-Conduct-Directors.pdf> and <http://www.gnal.co.in/writereaddata/Portal/Images/pdf/Code-of-Conduct-Senior-Management.pdf>

All the Board Members and the Senior Management Personnel have affirmed compliance with the "Code of Conduct" during the Financial Year 2022-23. A declaration by the Chief Executive Officer to this effect is provided at **Annexure II** which forms part of this Annual Report.



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DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that -

- a) in the preparation of the annual accounts for financial year ended 31st March, 2023, the applicable accounting standards have been followed and there is no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that year;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts for the financial year ended 31st March, 2023 on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has constituted "Internal Complaint Committee" for prevention of Sexual Harassment of Women at Workplace under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, four (4) meetings of Internal Complaint Committee were held on 29th June, 2022, 28th September, 2022, 23rd December, 2022 and 31st March, 2023. No complaint of Sexual Harassment against any employee of the Company was received during the year.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards on Board Meetings (SS-1) and on General Meetings (SS-2) issued by the Institute of Company Secretaries of India have been duly followed by the Company.



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GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items since there were no transactions in these matters and/or they are not applicable to the Company during the year under review:

1. details relating to deposits covered under Chapter V of the Act;
2. a statement on declaration given by Independent Directors under sub-section (6) of Section 149;
3. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided in section 178;
4. No significant or material orders were passed by the Regulators / Courts or Tribunals which would impact the going concern status of the Company and its future operations;
5. There has been no change in the nature of business of the Company;
6. No fraud has been reported by the Auditors to the Board;
7. There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016;
8. There was no instance of one-time settlement with any Bank or Financial Institution.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank the Government of India, Government of Gujarat, Promoter Shareholders, Bankers/Lenders, other business associates, vendors, customers, employees and other regulatory authorities for their support to the Company.

For and on behalf of the Board
GACL-NALCO Alkalies & Chemicals Private Limited

Sd/-
Swaroop P. IAS
Chairman

Place: Vadodara
Date : 28.04.2023



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Annexure I to Board's Report

SECRETARIAL AUDIT REPORT

FORM NO. MR - 3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

28th April 2023

To,
The Members,
GACL-NALCO Alkalies & Chemicals Private Limited
GACL Corporate Building,
P.O. Ranoli 391350,
Dist. Vadodara.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GACL-NALCO Alkalies & Chemicals Private Limited (CIN: U24100GJ2015PTC085247)** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **GACL-NALCO Alkalies & Chemicals Private Limited's** books, papers, minute books, certificates, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:-

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings;



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(v) The following applicable Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

As the Company is not listed on any Stock Exchange, none of the other Regulations under the SEBI Act are applicable to the Company except as mentioned in this report.

- (vi) Environment Protection Act, 1986 and other environmental laws;
(vii) Explosives Act, 1864;
(viii) Labour Laws; and
(ix) Public Liability Insurance Act, 1991;
(x) Electricity Act, 2003 and the Rules and Regulations notified thereunder;

I have also examined compliance with the applicable clauses of the following:-

- i) the Secretarial Standards issued by The Institute of Company Secretaries of India; and
ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; *The Company is not a listed entity, but the Company became a material subsidiary of Gujarat Alkalies and Chemicals Limited, a listed Company, w.e.f. 1st April, 2020 and continued to be so during the Financial Year 2022-23 as well, as per Regulations 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

I further report that –

The Board of Directors of the Company is duly constituted and all the Directors are Non-Executive Directors. The Company has appointed a Woman Director. However, Smt. Sonali Jingar, Woman Director of the Company has resigned w.e.f. 10th March, 2023. The Company informed that it is in process of appointment of Woman Director. The Company is not required to appoint any Independent Director as per Rule 4(2) of the Companies (appointment and Qualifications of Directors) Rules, 2014 and the explanation given under Regulation 24 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the period under review the changes in the composition of the Board of Directors were carried out in compliance with the provisions of the Act;

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Urgent business, if any, is



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considered at a shorter notice with the consent of the Directors present. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes. Recording of meetings held by video conferencing are maintained by the Company.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. I have relied on the representations made by the Company and its officers in respect of the systems and processes and mechanism formed for compliances under the applicable laws.

I further report that during the audit period, -

- i) the Company had not made any issue of equity shares or Debt Instruments during the year under report;
- ii) at the Annual General Meeting held on 22.07.2022, the members have passed an Ordinary Resolution pursuant to Section 188 of the Companies Act, 2013 to approve the Material Related Party Transactions with the holding company;
- iii) at the Extra Ordinary General Meeting held on 13.02.2023, the members have passed Special Resolutions pursuant to Section 179 and Section 180 (1)(C) & 180(1)(a) of the Companies Act, 2013 to for increasing borrowing powers of the Company from Rs. 1770 Crores to Rs. 1900 Crores and for creation of charge or mortgage on the Company's properties of the Company to secure the borrowings up to the said limit;
- iv) There were no instances of (a) Merger / amalgamation / reconstruction etc.; and (b) Foreign technical collaborations.

CS VIJAY L VYAS
COMPANY SECRETARY IN PRACTICE
FCS No.: 1602; C P No.: 13175
UDIN NO. **F001602E000219151**
Peer Review Certificate: 1836/22

Place : VADODARA
Date : 28th April, 2023



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28th April, 2023

To,
GACL – NALCO Alkalies & Chemicals Private Limited
GACL Corporate Building,
P.O. Ranoli 391350,
DIST. VADODARA

My report of even date is to be read along with this letter –

1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate in the prevalent pandemic situation to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have relied on the registers and records required for audit along with a declaration from the CEO and Company Secretary regarding completeness and correctness of the records and registers so provided by the Company, for the purpose of the Secretarial Audit Report for the year 2022-23.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy of effectiveness with which the management has conducted the affairs of the company.

Thanking you,

Yours faithfully,

CS VIJAY L VYAS
COMPANY SECRETARY IN PRACTICE
FCS: 1602 : CP: 13175
Peer Review Certificate : 1836/22



GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED

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Annexure II to Board's Report

Declaration by CEO regarding compliance of 'Code of Conduct' by Directors and Senior Management Personnel of the Company

The Board has adopted 'Code of Conduct' for Directors and Senior Management Personnel of the Company pursuant to provisions of the Companies Act, 2013 and rules made thereunder.

The Directors and Senior Management Personnel have affirmed compliance with the said Code of Conduct of the Company for the Financial Year 2022-23.

For GACL-NALCO Alkalies & Chemicals Private Limited

Sd/-
Jayesh Shah
Chief Executive Officer

Place: Vadodara
Date: 28th April, 2023



GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED

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INDEPENDENT AUDITORS' REPORT

To
the Members of
GACL-NALCO Alkalies & Chemicals Private Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **GACL-NALCO Alkalies & Chemicals Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditors' report thereon. The above referred information is expected to be made available to us after the date of this audit report. Our opinion on the financial



GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED

CIN: U24100GJ2015PTC085247

Website: www.gnal.co.in

statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance



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is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;
 - e. on the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act;
 - f. with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B";
 - g. with respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended: the Company has neither paid nor provided for, any remuneration to its directors during the year; and
 - h. the other matters to be included in the Auditors' Report in accordance with Rule 11 of with respect to the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses as at March 31, 2023;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the



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Company.

iv.

- a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) is applicable to the Company from Financial Year beginning on or after April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year 2022-2023.

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829
Vishal P. Doshi
Partner
Membership No. 101533
UDIN: 23101533BGSTCE3820
Place: Vadodara
Date: April 28, 2023

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

The annexure referred to in our Independent Auditors’ Report to the members of **GACL-NALCO Alkalies & Chemicals Private Limited** (“the Company”) on the financial statements for the year ended March 31, 2023, we report that:

- i. In respect of the Company’s Property, Plant and Equipment:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (“PPE”);
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a regular program of physical verification of property, plant and equipment which, in our opinion is reasonable. The assets which were to be covered as per the said program have been physically verified by the management during the year. In our opinion and According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
 - d) The Company has not revalued its PPE (including Right of Use Assets) or intangible assets or both during the year, and hence reporting under this clause of the Order is not applicable to the Company;
 - e) According to the information and explanations given to us no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules thereunder, hence disclosure in its financial statements is not required.
- ii. In respect of Inventories:
 - a) The Inventories except for goods-in-transit have been physically verified by the management during the year and in our opinion, the coverage and procedure for such verification is reasonable. As explained to us, no discrepancies of 10% or more in the aggregate for each class of Inventory were noticed. However, certain discrepancies were noticed not exceeding 10% or more in the aggregate for each class of inventory during physical verification of Inventory as compared to the book records which the management is in process of reconciling at the date of this report.
 - b) As disclosed in note 38 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company and the details are as follows:

Quarter	Particulars	Amount as per books of Accounts (in Rs. Lakhs)	Amounts as reported in the quarterly return/ Statement (in Rs. Lakhs)	Amount of difference (in Rs. Lakhs)
June-22	Trade Payables	2,391.85	1,431.03	(960.82)
Sep-22	Trade Receivables	2,067.25	4,432.36	2,365.11
Sep-22	Trade Payables	2,612.21	4,025.60	1,413.39
Dec-22	Inventory	8,844.65	6,544.92	(2,292.72)
Dec-22	Trade Receivables	5,031.34	5,184.36	153.01
Dec-22	Trade Payables	4,021.12	4,006.56	(14.55)

Reasons for discrepancies

- As explained to us, the differences noted in Trade Payables are on account of non-consideration of amount lying in GR/IR liabilities in statement submitted to bank and posting of entries after submission of data to bank.
 - Difference in inventory is on account of Operational Spares, not considered in data submitted to bank in adherence of bank's terms and conditions for non-consideration of Spares exceeding 90 days.
 - In Trade Receivables, differences are on account of credit notes related to rate differences booked in accounts post submission of data to bank
- iii. During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and therefore the reporting under this clause of the Order is not applicable to the Company.
- iv. The Company has not granted any loans, made any investments, or provided any guarantees or security to which provisions of section 185 and 186 of the Act apply and therefore, reporting under clause (iv) of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year from the public and consequently, the directives issued by Reserve Bank of India, the provisions of sections 73 to 76 of the Act and rules framed there under are not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, in view of Rule 3 of the Companies (Cost Records and Audit) Amendments Rules 2014 the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company and therefore, reporting under clause (vi) of the Order is not applicable to the Company.

- vii. (a) According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including Goods and Services Tax, provident fund, income-tax, cess and other material statutory dues applicable to it. Further, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, income tax, cess and any other statutory dues were in arrears, as at March 31, 2023, for a period of more than six months from the date they become payable.
(b) According to the information and explanations given to us, there are no statutory dues as referred to in sub clause (a) above which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, no unrecorded transactions in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
(b) The Company has not been declared wilful defaulter by any bank or financial institution or other lenders.
(c) In our opinion and according to information and explanation given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
(d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have not been used during the year for long-term purposes by the Company.
(e) The Company does not have any subsidiaries, associates or joint ventures and hence, reporting under this clause of the Order is not applicable.
(f) The Company has not raised any loans on pledge of securities during the year and therefore reporting on this clause of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) during the year and therefore, reporting under this clause of the Order is not applicable to the Company.
(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore, reporting under this clause of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge and according to information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year;
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this



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- report;
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi company and therefore, reporting under clause (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business;
(b) The reports of internal auditors for the period under audit have been considered by us.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors and therefore, reporting under clause (xv) of the Order is not applicable to the Company.
- xvi. (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.
(b) In our opinion and according to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year of Rs. 13,734.01 Lakhs and Rs. 282.79 lakhs respectively.
- xviii. There has been no resignation of the statutory auditors during the year and therefore, reporting under this clause of the Order is not applicable to the Company;
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its



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liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due;

- xx. According to the information and explanations given to us, section 135 of the Act is not applicable to the Company and therefore, reporting under this clause of the Order is not applicable to the Company.
- xxi. The Company is not required to prepare consolidated financial statements and therefore, reporting under this clause of the Order is not applicable to the Company.

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829
Vishal P. Doshi
Partner
Membership No. 101533
UDIN: 23101533BGSTCE3820
Place: Vadodara
Date: April 28, 2023



GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED

CIN: U24100GJ2015PTC085247

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ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **GACL-NALCO Alkalies & Chemicals Private Ltd.** on the financial statements of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to financial statements of **GACL-NALCO Alkalies & Chemicals Private Ltd.** (“the Company”) as of March 31, 2023, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the, “Guidance note”) and the Standard on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with



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reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal



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control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K C Mehta & Co LLP

Chartered Accountants

Firm's Registration No. 106237W/W100829

Vishal P. Doshi

Partner

Membership No. 101533

UDIN: 23101533BGSTCE3820

Place: Vadodara

Date: April 28, 2023



GACL - NALCO Alkalies & Chemicals Private Limited

Balance Sheet as at March 31, 2023

(Rs. In lakhs)

Particulars	Note No.	As at 31.3.2023	As at 31.3.2022
ASSETS			
1. Non-current assets			
a) Property, Plant and Equipment	2	1,53,260.20	1,13,368.92
b) Right-of-use asset.	2	7,628.30	7,716.41
c) Intangible assets	2	50.60	69.08
d) Capital work-in-progress	3	20,514.97	53,875.08
e) Financial Assets: Others	4	765.52	765.52
f) Other non-current assets	5	1,628.14	27,869.09
Total non-current assets		1,83,847.73	2,03,664.10
2. Current assets:			
a) Inventories	6	4,853.64	1,293.27
b) Financial Assets:			
Trade Receivables	7	8,013.48	23.78
Cash & Cash Equivalents	8	582.00	24,484.73
Other Bank Balances	9	20,497.16	3,108.96
Others	10	191.93	119.07
c) Other current assets	11	25,251.06	3.87
d) Current tax assets (Net)	12	267.44	22.49
Total current assets		59,656.71	29,056.17
TOTAL ASSETS		2,43,504.44	2,32,720.27

See accompanying notes to financial statements (1 - 42)

For and on behalf of Board of Directors

Sd/- (J M Patel)	Sd/- (J N Thakkar)	Sd/- (J K Shah)	Sd/- (K K Panda)	Sd/- (Pankaj Mittal)
Company Secretary	CFO	CEO	Director	Director
			DIN-08436491	DIN-09611373

As per our report of even date ~~is~~ **attached.**

For K C Mehta & Co I C Mehta & Co LLP

Chartered Accountants

FRN - 106237W/W100829

(Vishal P. Doshi)

Partner

M No.101533

Place: Vadodara

Date: 28/04/2023



GACL - NALCO Alkalies & Chemicals Private Limited

Balance Sheet as at March 31, 2023 (Contd.)

(Rs. In lakhs)

Particulars	Note No.	As at 31.3.2023	As at 31.3.2022
EQUITIES AND LIABILITIES			
1. Equity			
a) Share Capital	13	69,000.00	69,000.00
b) Other equity	14	(28,540.29)	(859.18)
Total Equity		40,459.71	68,140.82
2. Liabilities			
Non-current liabilities			
a) Financial Liabilities:			
Long Term Borrowings	15	1,51,444.03	1,52,951.75
Total non-current liabilities		1,51,444.03	1,52,951.75
Current liabilities			
a) Financial Liabilities:			
(i) Short Term Borrowings	16	26,544.15	-
(ii) Trade Payables:			
- Outstanding dues to Micro and Small enterprises	17	1,245.89	3.06
- Others	17	9,778.73	19.62
(iv) Others	18	13,350.88	11,412.69
b) Other current liabilities	19	681.05	192.33
Total current liabilities		51,600.70	11,627.70
TOTAL EQUITIES AND LIABILITIES		2,43,504.44	2,32,720.27

See accompanying notes to financial statements (1 - 42)

For and on behalf of Board of Directors

Sd/- (J M Patel)	Sd/- (J N Thakkar)	Sd/- (J K Shah)	Sd/- (K K Panda)	Sd/- (Pankaj Mittal)
Company Secretary	CFO	CEO	Director	Director
			DIN-08436491	DIN-09611373

As per our report of even date attached.

For K C Mehta & Co LLP
Chartered Accountants
FRN - 106237W/W100829

Place: Vadodara
Date: 28/04/2023

(Vishal P. Doshi)
Partner
M No.101533



GACL - NALCO Alkalies & Chemicals Private Limited

Statement of Profit and Loss for the year ended March 31, 2023

(Rs. In lakhs)

Particulars	Note No.	For the year ended 31.3.2023	For the year ended 31.3.2022
INCOME			
i) Revenue from operations	20	27,246.77	42.47
ii) Other Income	21	1,005.91	19.58
iii) Total Income (i+ii)		28,252.68	62.05
iv) EXPENSES			
a) Cost of Materials consumed	22	22,859.88	42.47
b) Changes in Inventories of Finished goods and work-in-progress	23	-2,609.70	-
c) Employee benefit expenses	24	831.10	155.05
d) Finance Cost	25	8,134.02	13.80
e) Depreciation and amortisation expenses	26	7,889.13	86.77
f) Power & Fuel	27	4,346.69	-
g) Other expenses	28	14,482.69	133.52
Total expenses		55,933.80	431.61
v) Profit / (Loss) before tax (iii - iv)		(27,681.11)	(369.56)
vi) Tax expense:	29		
Current Tax for the year		-	-
Deferred Tax		-	-
vii) Profit / (Loss) for the period (v - vi)		(27,681.11)	(369.56)
viii) Other Comprehensive income		-	-
ix) Total comprehensive income / (Loss) for the period		(27,681.11)	(369.56)
Earning per equity share (face value of Rs.10 each)			
Basic & Diluted (Ref Note No. 31)		(4.01)	(0.05)

See accompanying notes to financial statements (1 - 42)

For and on behalf of Board of Directors

Sd/- (J M Patel) Company Secretary	Sd/- (J N Thakkar) CFO	Sd/- (J K Shah) CEO	Sd/- (K K Panda) Director DIN-08436491	Sd/- (Pankaj Mittal) Director DIN-09611373
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As per our report of even date attached.

For K C Mehta & Co LLP

Chartered Accountants

FRN - 106237W/W100829

(Vishal P. Doshi)

Partner

M No.101533

Place: Vadodara

Date: 28/04/2023



GACL - NALCO Alkalies & Chemicals Private Limited

Cash Flow Statement for the year ended March 31, 2023

(Rs. In lakhs)

Particulars	For the year ended 31.3.2023	For the year ended 31.3.2022
A. Cashflow from Operating activities:		
Net profit / (Loss) before tax	(27,681.11)	(369.56)
Adjustments for:		
Depreciation and amortisation	7,889.13	86.77
Unrealized foreign Exchange loss	6,057.98	-
Finance cost	8,108.69	-
Loss/(Gain) on sale of PPE	0.72	(0.05)
Interest income	(1,002.70)	(18.73)
Operating profit/ (Loss) before changes on working capital	(6,627.29)	(301.57)
Adjustments for Increase/ (Decrease) in operating assets		
Trade Receivables	(7,989.70)	(23.79)
Inventories	(3,560.37)	(1,293.27)
Other financial assets	(72.86)	(731.97)
Other assets	570.32	1.78
Adjustments for Increase/ (Decrease) in operating liabilities		
Trade payable	11,001.94	(1,355.27)
Other financial liabilities	1,938.19	(1,970.71)
Other liabilities	488.72	93.55
Cash generated / ((Used in) before tax	(4,251.05)	(5,581.25)
Income tax (paid) / refunded	(244.94)	(1.60)
Net Cash flow from operating activities after tax	(4,495.99)	(5,582.85)
B. Cashflow from Investing activities:		
(Purchases) of PPE & CWIP including capital advances	(13,895.07)	(21,377.82)
Sale of PPE	4.07	0.55
Interest Income	1,002.70	18.73
Bank balance not considered as Cash & cash equivalent	(17,388.20)	1,943.88
Net Cashflow from / (used in) Investing activities	(30,276.50)	(19,414.66)
C. Cashflow from Financing activities:		
Proceeds from long term borrowings (Net of transaction cost)	10,451.90	45,964.02
Proceeds from short term borrowings	8,526.55	-
Finance Cost	(8,108.69)	(5,988.33)
Net Cashflow from / (used in) Financing activities	10,869.76	39,975.69
D. Net Increase / (Decrease) in Cash & Cash Equivalents:	(23,902.73)	14,978.18
E. Cash & Cash Equivalents - At beginning of the period	24,484.73	9,506.55
F. Cash & Cash Equivalents - At end of the period	582.00	24,484.73

Notes:

1 Cash and cash equivalents comprises of :

Balance with Banks	582.00	24,484.73
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2 The Cash Flow Statement has been prepared under the Indirect Method as set out in Ind As-7 "Statement of Cash Flows".

3 The Company has capitalised borrowing cost (net) of Rs. 2284.15 lakhs (P.Y. Rs.44,99.31 lakhs) to Property, Plant and Equipment's (Capital Work in Progress) in accordance with the Ind AS 23-Borrowing Cost.

See accompanying notes to financial statements

For and on behalf of Board of Directors

Sd/- (J M Patel)	Sd/- (J N Thakkar)	Sd/- (J K Shah)	Sd/- (K K Panda)	Sd/- (Pankaj Mittal)
Company Secretary	Chief Financial Officer	Chief Executive Officer	Director	Director
			DIN-08436491	DIN-09611373

As per our report of even date attached.

For K C Mehta & Co LLP
Chartered Accountants
FRN - 106237W/W100829

(Vishal P. Doshi)

Place: Vadodara

Date: 28/04/2023

Partner

M No.101533



GACL - NALCO Alkalies & Chemicals Private Limited

Statement of Changes in Equity for the year ended March 31, 2023

A: Equity Share Capital: (Rs. In lakhs)

Balance as at 1st April, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April, 2022	Changes in equity share capital during the year	Balance as at 31st March, 2023
69,000.00	-	69,000.00	-	69,000.00

Balance as at 1st April, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April, 2021	Changes in equity share capital during the year	Balance as at 31st March, 2022
69,000.00	-	69,000.00	-	69,000.00

B: Other Equity: (Rs. In lakhs)

Particulars	Reserve & Surplus	Total Equity
	Retained Earnings	
Balance as at 1st April, 2022	(859.18)	(859.18)
Changes in accounting policy or prior period errors	-	-
Restated balance as at 1st April, 2022	(859.18)	(859.18)
Total comprehensive income for the current year	(27,681.11)	(27,681.11)
Balance as at 31st March, 2023	(28,540.29)	(28,540.29)

Particulars	Reserve & Surplus	Total Equity
	Retained Earnings	
Balance as at 1st April, 2021	(489.62)	(489.62)
Changes in accounting policy or prior period errors	-	-
Restated balance as at 1st April, 2021	(489.62)	(489.62)
Total comprehensive income for the current year	(369.56)	(369.56)
Balance as at 31st March, 2022	(859.18)	(859.18)

See accompanying notes to financial statements (1 - 42)

For and on behalf of Board of Directors

Sd/- (J M Patel) Company Secretary	Sd/- (J N Thakkar) CFO	Sd/- (J K Shah) CEO	Sd/- (K K Panda) Director DIN-08436491	Sd/- (Pankaj Mittal) Director DIN-09611373
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As per our report of even date attached.

For K C Mehta & Co LLP
Chartered Accountants
FRN - 106237W/W100829

Place: Vadodara
Date: 28/04/2023

(Vishal P. Doshi)
Partner
M No.101533



GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED

CIN: U24100GJ2015PTC085247

Website: www.gnal.co.in

Notes to the Financial Statements

Note - 1:

I. General Information:

1. GACL-NALCO Alkalies & Chemicals Private Limited (the Company), having CIN U24100GJ2015PTC085247 is a Private Limited company incorporated and domiciled in India and has registered office at GACL Corporate Building, PO: Ranoli – 391350 District - Vadodara, Gujarat, India. The equity shares of the company are held by Gujarat Alkalies and Chemicals Limited (GACL), a Company promoted by Government of Gujarat and National Aluminium Company Limited (NALCO), a Government of India company, at 60:40 ratio respectively. The Company is a joint venture between GACL and NALCO and both the equity owners are listed on the stock exchanges.

2. Statement of Compliance:

The Financial Statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

3. Application of Indian Accounting Standards:

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparing these financial statements.

The following standards / amendments to standards have been issued and will be effective from 1st April 2023.

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

II. Significant Accounting Policies:

1.1 Basis of preparation and presentation:

The Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below:

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

1.2 Use of estimates:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in notes below. Accounting estimates could change from period to period. Actual results could differ from these estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, then effects are disclosed in the notes to the financial statements.

1.3 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or company's assumptions about pricing by market participants.

2. Property, Plant and Equipment:

2.1 Property, Plant and Equipment (PPE) are stated at cost, less accumulated depreciation and impairment, if any.

2.2 Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The Company depreciates property, plant and equipment over their estimated useful lives as prescribed under Schedule II of Companies Act 2013 (except as stated at # below) using the straight-line method. The estimated useful lives of the assets are as follows:

Asset	Useful life
Buildings	30 to 60 years
Plant and Equipment	
- Co-generation Steam Power plant	25 years
- Membrane of cell elements #	4 Years
- Anode and Cathode of cell elements #	8 Years
- Other than mentioned above	30 years
Furniture and Fixture	10 years
Computers and its peripherals	3 to 6 years
Office Equipment	5 years

based on nature of assets and technical advice

2.3 Assets in the course of construction for production of goods and/or services or for administrative purposes or for which classification is not yet determined and are not put to use are included under capital work-in-progress and are carried at cost. Advances paid towards the acquisition of property plant and equipment and outstanding at Balance Sheet date is classified as Capital advances under "Other Non-Current Assets".

2.4 An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

- 2.5** The residual value of assets is estimated to be 5 % of original cost. The estimated useful lives, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in the estimate accounted for on a prospective basis.
- 2.6** Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.
- 2.7** Depreciation on additions/deletions during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding Rs.5,000/- which are fully depreciated at the time of addition.

3. Intangible Assets:

Intangible assets with finite useful life that are acquired separately are carried at cost less accumulated amortization. Amortization is recognized on straight line basis over their estimated useful lives without retaining any residual value. The estimated useful lives and amortization method are reviewed at the end of each reporting period, with the effect of any changes in the estimate accounted for on a prospective basis.

The estimated useful lives of intangible assets are as follow:

Asset	Useful life
Accounting Software	5 Years

4. Impairment of Tangible and intangible assets:

Tangible assets (Property, Plant and Equipment including Capital Works in Progress) and Intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment is recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

5. Inventories:

Inventory of raw material, including bulk material such as coal, salt and fuel oil are valued at lower of cost net of tax credit, where ever applicable and net realisable value. Stores and spares are valued at cost net of tax credit wherever applicable. Cost of raw materials, stores and are determined on moving weightage average price.

Inventories of finished goods, semifinished goods, intermediary products and work in process are valued at lower of cost and net realisable value. Cost is determined moving weighted average price of materials, appropriate share of labour and related overheads.

6. Income Recognition:

Income is measured at the fair value of the consideration received or receivable.

Sale of goods:

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Interest Income:

Interest income from financial assets is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on the time basis by reference to the principal outstanding and at the effective interest rate applicable.

Other Income:

Other income is recognized on accrual basis except when realization of such income is uncertain.

7. Leases:

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

(A) Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

(B) Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement:

(A) Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

Impairment

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short term Lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

8. Foreign currency transaction:

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which the Company operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in statement of profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

9. Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in statement of profit or loss in the period in which they are incurred.

Borrowing costs consist of interest and transaction costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

10. Employee benefits:

Short Term Employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability. These benefits include salary, wages, bonus, compensated absences, etc.

Post employment benefit

Defined Contribution plan: The company's contribution to defined contribution plan paid/payable for the year is charged to the Statement of Profit and loss.

Defined Benefit Plan: The employees of the company do not come under the purview of the Payment of Gratuity Act, 1972. However, Provision for gratuity has been voluntarily made on accrual basis.

11. Income Taxes:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'Profit Before Tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax expense for the year:

Current and deferred tax expense is recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

12. Provision, Contingent liabilities and Contingent assets:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

13. Financial instruments:

The Company determines the classification of its financial assets and liabilities at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Initial Recognition:

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss.

Subsequent Measurement

I. Financial assets

a. Cash and Cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

b. Financial assets carried at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c. Financial assets at fair value through Other Comprehensive Income (FVTOCI)

Financial Assets are subsequently measured at fair value through Other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in Other Comprehensive Income based on its business model.

d. Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition.

e. Impairment of Financial Assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

f. Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety, (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in statement of profit and loss.

II. Financial liabilities

a. Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method where the time value of money is significant. Interest bearing issued debt are initially measured at fair value and are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

b. Derecognition of financial liabilities

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

14. Earning per share:

Basic earnings per share are computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the period presented.



GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED

CIN: U24100GJ2015PTC085247

Website: www.gnal.co.in

III. Critical judgements, Assumptions and Key source of estimation uncertainty:

Inherent in the application of many of the accounting policies used in preparing the Financial Statements is the need for Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, and future periods are affected.

Key source of judgments, assumptions and estimates in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities are in respect of useful lives of Property, Plant and Equipment, Impairment etc.

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Notes to the financial statements

Note 2 - Property, Plant and Equipment, Right-of-use Assets and Intangible Assets										(Rs. In lakhs)	
Tangible Assets	Plant & Machinery		Buildings	Furniture & Fixtures		Office Equipment	Computer	Vehicle	Total	Right-of-use Assets	Intangible Assets
As at 1st April 2021	-	-	-	28.37	75.91	-	-	-	104.28	7,980.91	44.80
Additions	1,00,791.86	12,474.83	42.31	58.20	-	-	-	-	1,13,367.20	-	44.30
Deduction / Adjustments	-	-	-	1.67	-	-	-	-	1.67	-	-
As at 31st March 2022	1,00,791.86	12,474.83	70.68	132.44	-	-	-	-	1,13,469.81	7,980.91	89.10
Additions	45,029.25	2,207.52	45.59	1.11	0.99	373.14	-	-	47,657.61	-	-
Deduction / Adjustments	-	-	-	(9.14)	(0.99)	-	-	-	-10.13	-	-
As at 31st March 2023	1,45,821.11	14,682.35	116.27	124.41	-	373.14	-	-	1,61,117.29	7,980.91	89.10
Accumulated Depreciation											
As at 1st April 2021	-	-	-	9.76	27.04	-	-	-	36.80	176.39	3.80
Additions	32.43	2.91	9.23	20.74	-	-	-	-	65.31	88.11	16.22
Deduction / Adjustments	-	-	-	1.22	-	-	-	-	1.22	-	-
As at 31st March 2022	32.43	2.91	18.99	46.56	-	-	-	-	100.89	264.50	20.02
Additions	7,091.48	602.68	24.45	34.28	0.03	29.62	-	-	7,782.54	88.11	18.48
Deduction / Adjustments	(21.00)	-	-	(5.31)	(0.03)	-	-	-	(26.34)	-	-
As at 31st March 2023	7,102.91	605.59	43.44	75.53	-	29.62	-	-	7,857.09	352.61	38.50
Net Block											
As at 31st March 2022	1,00,759.43	12,471.92	51.69	85.88	-	-	-	-	1,13,368.92	7,716.41	69.08
As at 31st March 2023	1,38,718.20	14,076.76	72.83	48.88	-	343.52	-	-	1,53,260.20	7,628.30	50.60

Note:

The Right-of-use assets is a leasehold land from GIDC and all rights/interest thereunder are pledged as security to the bankers under a mortgage.



Notes to the financial statements

(Rs. In lakhs)

Note - 3: Capital Work-in-progress:

Particulars	As at 31.03.2023	As at 31.03.2022
Capital Work-in-progress	20,514.97	51,529.51
Stock of plant & machineries including 2 years maintenance spares.	-	2,345.57
	20,514.97	53,875.08

a) All movable and Immovable assets including Plant and Machineries and other assets are pledged as security on pari passu basis to the bankers under a mortgage. The Company is not allowed to sell these assets to other entity.

b) Capital Work in Progress mentioned above includes the following amounts capitalised during the year in the course of construction:

Particulars	During the year ended 31.03.2023	During the year ended 31.03.2022
Employee Benefit Expenses	-	397.34
Depreciation and Amortisation Expenses	-	87.62
Finance Costs	1,942.13	4,499.31
Project Insurance and Consultancy fees	674.36	96.48
Foreign Exchange Loss / (Gain)	342.02	2,184.28
	2,958.51	7,265.03

Capital Work-in-progress Ageing Schedule:

Particulars	As at 31.03.2023		As at 31.03.2022	
	Projects in Progress	Projects temporarily suspended	Projects in Progress	Projects temporarily suspended
Less than 1 year	79.66	-	15,000.92	-
1 year to 2 years	12,545.51	-	38,874.16	-
2 years to 3 years	7,889.80	-	-	-
More than 3 years	-	-	-	-
	20,514.97	-	53,875.08	-
Total:		20,514.97		53,875.08

Completion Schedule as on 31.03.2023

Particulars	To be completed in			
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years
800 TPD Caustic soda plant with 2 X 65 MW cogeneration plant	20,514.97			

The project scheduled to be completed in FY 2022-23, is delayed and is expected to be capilised in FY 2023-24.

Completion Schedule as on 31.03.2022

Particulars	To be completed in			
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years
800 TPD Caustic soda plant with 2 X 65 MW cogeneration plant	53,875.08			

The project was earlier scheduled to be completed on 5th April 2021. However due to adverse impact of COVID-19 Pandemic the project is delayed

Note - 4: Financial Assets : Others:

Particulars	As at 31.03.2023	As at 31.03.2022
Unsecured, considered good		
Security Deposits	765.52	765.52
Total	765.52	765.52



GACL - NALCO Alkalies & Chemicals Private Limited

Notes to the financial statements

(Rs. In lakhs)

Note - 5: Other Non-Current Assets:

Particulars	As at 31.03.2023	As at 31.03.2022
Secured, considered good		
Capital advances	1,609.13	2,032.57
Unsecured, considered good		
Balance with Govt. authorities	-	25,822.41
Expenses paid in Advance	19.01	14.11
Total	1,628.14	27,869.09

Note - 6: Inventories:

Particulars	As at 31.03.2023	As at 31.03.2022
Raw Materials	890.35	346.58
Coal and Fuel oil	1,066.84	820.53
Work-in-process	106.24	-
Finished goods	2,503.46	88.76
Stock of Spares and consumables	286.75	37.40
Total	4,853.64	1,293.27

Note - 7: Trade Receivables:

Particulars	As at 31.03.2023	As at 31.03.2022
a) Secured, Considered Good		
b) Un-Secured:		
Considered Good	8,013.48	23.78
Considered doubtful	-	-
	<u>8,013.48</u>	<u>23.78</u>
c) Which has significant increase in credit risk	-	-
d) Credit impaired	-	-
Total:	<u>8,013.48</u>	<u>23.78</u>
Less: Expected credit loss allowance	-	-
Total	8,013.48	23.78

Trade Receivables Ageing:

Particulars	Outstanding for following periods from the date of transaction						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables - considered good	7,429.32	584.16	-	-	-	-	8,013.48
(ii) Undisputed Trade Receivables - which have significant increase in credit risk		-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired		-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good		-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk		-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired		-	-	-	-	-	-
Total Trade Receivable as on 31.03.2023							8,013.48



Trade Receivables Ageing:

Particulars	Outstanding for following periods from the date of transaction						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables - considered good		23.78	-	-	-	-	23.78
(ii) Undisputed Trade Receivables - which have significant increase in credit risk		-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired		-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good		-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk		-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired		-	-	-	-	-	-
Total Trade Receivable as on 31.03.2022							23.78

Note - 8: Cash and Cash Equivalents (at amortised cost)

Particulars	As at 31.03.2023	As at 31.03.2022
- In Current Account	582.00	24,484.73
Total	582.00	24,484.73

Note - 9: Other Bank balances (at amortised cost)

Particulars	As at 31.03.2023	As at 31.03.2022
Deposit with bank	20,497.16	3,108.96
Total	20,497.16	3,108.96

The above include: (a) Rs. 161.09 lakhs (previous year Rs.153.96 lakhs) held as margin money against issuance of BG of Rs.615.84 lakhs, (b) Rs.11199.5 Lakhs is held as Flexi Fixed Deposit held for capital payment.

Note - 10: Other financial assets (at amortised cost)

Particulars	As at 31.03.2023	As at 31.03.2022
Unsecured, considered good		
Security deposits	62.34	68.19
Interest Receivable	127.90	50.08
Others	1.69	0.80
Total	191.93	119.07

Note - 11: Other Current Assets:

Particulars	As at 31.03.2023	As at 31.03.2022
Unsecured, considered good		
Expenses paid in Advance	889.66	3.87
Balance with Govt Authorities:-		
GST Receivable	24,361.40	-
Total	25,251.06	3.87

Note - 12: Current tax assets (Net)

Particulars	As at 31.03.2023	As at 31.03.2022
Balance with Govt Authorities:-		
TDS/TCS Receivable	267.44	22.49
Total	267.44	22.49



GACL - NALCO Alkalies & Chemicals Private Limited

Notes to the financial statements

(Rs. In lakhs)

Note - 13: Equity Share Capital

Particulars	As at 31.03.2023	As at 31.03.2022
Authorized:		
69,00,00,000 (Previous year 69,00,00,000) equity shares of Rs.10 each	69,000.00	69,000.00
Issued, subscribed and paid up:		
69,00,00,000 (previous year 69,00,00,000) equity shares of Rs. 10 each	69,000.00	69,000.00
Total	69,000.00	69,000.00

Reconciliation of number of equity shares outstanding at the beginning and at the end of reporting period is as under:

Particulars	No. of Shares	Share Capital (Rs. in lakhs)
As at 1st April 2021	69,00,00,000	69,000.00
Additions		
As at 31st March 2022	69,00,00,000	69,000.00
Additions	-	-
As at 31st March 2023	69,00,00,000	69,000.00

Details of aggregate number of equity shares issued for consideration other than cash:

Particulars	Face Value	Year of Issue
39,88,27,334 (PY 39,88,27,334) equity shares of Rs.10 each	Rs. 10 each	2017-18
*Equity Shares were issued to GACL in lieu of cost of 39.1 hectares of land at DII/9, PCPIR Zone of Gujarat Industrial Estate, Dahej, Gujarat.		

Details of Shareholder holding more than 5 percent share in Company:

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares	Extent of Holding	No. of shares	Extent of Holding
GACL	41,40,00,000	60.00%	41,40,00,000	60.00%
NALCO	27,60,00,000	40.00%	27,60,00,000	40.00%

Right, Preferences and restrictions attached to Equity Shares

For all matters submitted to vote in a shareholders meeting of the Company every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts, if any, shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

Shareholding of promoters

Promoters Name	As at 31st March, 2023			As at 31st March, 2022		
	No of Shares	% of total shares	% change	No of Shares	% of total shares	% change
Equity Shares with voting rights						
Gujarat Alkalies & Chemicals Limited	41,40,00,000	60%	Nil	41,40,00,000	60%	Nil
National Aluminium Company Limited	27,60,00,000	40%	Nil	27,60,00,000	40%	Nil
Total:	69,00,00,000	100%	-	69,00,00,000	100%	-

Note - 14: Other Equity

Particulars	As at 31.03.2023	As at 31.03.2022
Retained Earnings	(28,540.29)	(859.18)
Total	(28,540.29)	(859.18)

Particulars relating to Other Equity

Particulars	As at 31.03.2023	As at 31.03.2022
Balance at beginning of the year	(859.18)	(489.62)
Profit / (loss) for the year	(27,681.11)	(369.56)
Balance at end of the year	(28,540.29)	(859.18)



Notes to the financial statements

(Rs. In lakhs)

Note - 15: Long Term Borrowings

Particulars	As at 31.03.2023	As at 31.03.2022
Secured at amortised cost		
Rupee Term Loan from Punjab National Bank	77,691.93	77,447.64
USD ECB from State bank of India	73,752.11	75,504.11
Balance at end of the year	1,51,444.03	1,52,951.75

Reconciliation of change in borrowing from financial activities - RTL from PNB

Particulars	As at 31.03.2023	As at 31.03.2022
Opening balance	77,447.64	44,859.19
Proceeds raised	10,000.00	32,600.00
Non-cash changes (EIR and interest payable)	6,069.33	3,463.37
Interest Paid	(6,047.44)	(3,474.92)
Balance at end of the year	87,469.52	77,447.64

Reconciliation of change in borrowing from financial activities - USD ECB from SBI

Particulars	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
Opening balance	100,000,000 USD	85,000,000 USD	75,504.11	62,128.54
Proceeds raised		15,000,000 USD	-	10,923.00
Non-cash changes (EIR, FC gain/loss and interest payable)			10,221.71	3,496.23
Interest Paid			(3,733.71)	(1,043.66)
Balance at end of the year	100,000,000 USD	100,000,000 USD	81,992.11	75,504.11

Nature of Security:

1. First charge on pari passu basis by way of mortgage / assignment / charge, both present and future, of (a) all movable and immovable assets; (b) benefits and claims on project contracts; and (c) all bank accounts.
2. Second charge by way of hypothecation on all current assets of the company.

The terms of repayment of the above loans are as follows:

Particulars	Year ended	No. of instalments after the Balance Sheet date	Amount of each instalment
Punjab National Bank	31.3.2023	36 quarterly installments	2,444.44
Commencement of repayment of principal - 30th April 2023 Date of Maturity - 31st January 2032 Rate of Interest - One year PNB MCLR, presently 7.25 % (PY 7.35 %) Interest is payable on monthly basis.			
State Bank of India	31.3.2023	9 half yearly installments	Variable from 4% to 16% of loan amount
Commencement of repayment of principal - 30th April 2023 Date of Maturity - 30th April 2027 Rate of Interest - 6 months USD LIBOR plus 1.30 % (PY - 6 months USD LIBOR plus 1.30 %) Interest is payable on half yearly basis.			

Note - 16: Short Term Borrowings

Particulars	As at 31.03.2023	As at 31.03.2022
Current Maturities of long term debt		
Rupee Term Loan from Punjab National Bank	9,777.60	-
USD ECB from State bank of India	8,240.00	-
Cash Credit Facilities		
Punjab National Bank	4,237.72	
State Bank of India	4,288.83	
Balance at end of the year	26,544.15	-

Nature of Security:

1. CC facilities are secured by hypothecation charge over entire current assets of the company (Present and future) including all stocks of raw materials, stock in progress, finished goods, receivables, packing material, stores, spares & consumables (including goods in transit) ranking 1st Pari-passu with other working capital lenders.
2. Second charge by way of hypothecation on entire fixed asset of the company located at Dahej.



Notes to the financial statements

(Rs. In lakhs)

Note - 17: Trade Payable

Particulars	As at 31.03.2023	As at 31.03.2022
Due to Small and Micro Enterprise	1,245.89	3.06
Others	9,778.73	19.62
Total	11,024.62	22.68

Disclosure related to Micro, Small and Medium Enterprises:

On the basis of confirmation obtained from the supplier who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

Particulars	As at 31.03.2023	As at 31.03.2022
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	1,245.89	3.06
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	--	--
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	--	--
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	--	--
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises	--	--

Trade Payable: Ageing Schedule:

As at 31.03.2023				
Particulars	MSME	Others	Disputed - MSME	Disputed - others
Not Due	306.49	6,269.06		
Less than 1 year	935.28	3,503.28	-	-
1 year to 2 years	4.11	6.39	-	-
2 years to 3 years	-	-	-	-
More than 3 years	-	-	-	-
	1,245.89	9,778.73	-	-
Total:		11,024.62		-

As at 31.03.2022				
Particulars	MSME	Others	Disputed - MSME	Disputed - others
Not Due	3.06	19.62	-	-
Less than 1 year			-	-
1 year to 2 years			-	-
2 years to 3 years	-	-	-	-
More than 3 years	-	-	-	-
	3.06	19.62	-	-
Total:		22.68		-

Note - 18: Other Financial Current Liabilities (at amortised cost)

Particulars	As at 31.03.2023	As at 31.03.2022
Capital creditors	145.03	2,485.97
Retention Money	6,496.22	8,926.72
Int.Acc.Not Due	2,210.93	-
Earnest Money Deposit	1.18	-
Liabilities for Expenses	4,497.53	-
Total	13,350.88	11,412.69

Note - 19: Other Current Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Advance from customers	426.93	9.18
Liabilities of employees	93.93	98.07
Statutory dues Liabilities	160.20	85.08
Total	681.05	192.33



Notes to the financial statements

(Rs. In lakhs)

Note - 20: Revenue from operations

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
(i) Sale of products -		
(a) Manufacturing Operation-		
Caustic Soda Lye - 32%	219.18	42.47
Caustic Soda Lye - Rayon Grade-47% Min	23,548.28	
Others	572.16	
	24,339.61	
(b) Sale Of Power	803.15	
Total (i)	25,142.76	42.47
(ii) Other Operating Revenue		
Sale Of Scrap	21.28	
Service Charge	37.08	
Recovery Of Penalty	5.36	
Freight Outward Paid/Recovered	2,040.29	
Total (i+ii)	27,246.77	42.47

Refer note-34 for disaggregation of the revenue

Note - 21: Other Income

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Gain on sale of current Investments	-	-
Profit on sale of assets	-	0.05
Interest Income	1,002.70	18.73
Tender Fees Received	3.21	0.80
Total	1,005.91	19.58

Note - 22: Cost of Materials consumed

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Coal	17,228.60	-
Sod. Chloride-Common Salt	3,191.80	-
Light Diesel Oil	1,809.37	-
Barium Carbonate	272.55	-
Soda Ash	181.79	-
98% Sulphuric Acid	118.28	-
Others	57.48	42.47
Total	22,859.88	42.47

Note - 23: Changes in inventories of finished goods, work-in-progress

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Closing Stock :		
Finished Goods	2,503.46	
Process Stock	106.24	
	2,609.70	-
Less :- Opening Stock :		
Finished Goods	-	
Process Stock	-	
	-2,609.70	-

Note 24: Employee Benefit Expenses

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Salaries and allownces	776.88	524.28
Contribution to provident and other funds	24.59	28.11
Staff Welfare Expenses	29.63	-
Less: Capitalised	-	(397.34)
Total	831.10	155.05



Notes to the financial statements

(Rs. In lakhs)

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. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code become effective.

Note - 25: Finance Cost

	For the year ended 31.03.2023	For the year ended 31.03.2022
Particulars		
Interest Expenses		
On Term Loans	7,833.08	-
On Cash Credit	275.61	-
Other borrowing cost		
Other borrowing cost	25.32	13.80
Total	8,134.02	13.80

Note - 26: Depreciation & Amortisation:

	For the year ended 31.03.2023	For the year ended 31.03.2022
Particulars		
Depreciation on PPE	7,782.54	70.07
Amortisation of Right-of-use assets	88.11	88.10
Amortisation of Intangible assets	18.48	16.22
Less: Amount capitalised	-	(87.62)
Total	7,889.13	86.77

Note - 27: Power & Fuel:

	For the year ended 31.03.2023	For the year ended 31.03.2022
Particulars		
Power	3,496.74	-
Fuel	849.95	-
Total	4,346.69	-

Note - 28: Other Expenses

	For the year ended 31.03.2023	For the year ended 31.03.2022
Particulars		
Consultancy / Professional fee	41.15	11.41
Vehicle Hiring Expenses	112.72	18.41
Payment to auditors	2.50	3.56
Rent	196.40	31.94
Loss on sale on asset	0.72	-
Rate & Taxes	6.81	-
Travelling Expenses	6.76	5.32
Share Issue Expenses	-	-
Insurance expenses	292.31	2.13
CSR Expenses	-	0.98
Consumption of Stores & Spares	101.85	-
Freight Paid	2,129.66	-
R&M cost	97.72	-
Electricity Charges	0.58	2.57
Factory O.H	667.20	-
Other Maintenance Exp	102.32	-
Security Exp	106.58	-
Safety & Environment Exp	16.27	-
O&M Cost	3,831.28	-
Marketing Expenses	572.97	-
Foreign Currency Fluctuation	6,057.98	-
Other Miscellaneous expenses	138.90	57.20
Total	14,482.69	133.52

Payment to auditors

	For the year ended 31.03.2023	For the year ended 31.03.2022
Particulars		
As auditor	1.90	1.90
For other services	0.60	1.66
Total	2.50	3.56



Notes to the financial statements

(Rs. In lakhs)

Note - 29: Tax Expense

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Current Tax in relation to:		
Current Year	-	-
Deferred Tax (Refer Note Below)	-	-
Total	-	-

As matter of prudence and in the absence of strong convincing evidence about availability of future taxable profits, deferred tax assets (DTA) has been restricted to the Deferred tax liability.

The income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Profit & Loss before tax	(27,681.11)	(369.56)
Income tax expense calculated at 27.82 % (PY 27.82)	(7,700.89)	(96.09)
Deferred Tax assets on carry forward losses not recognised	7,700.89	96.09
Effect of expenses not deductible	-	-
Total	-	-

Note - 30: Contingent Liabilities not provided for

Particulars	As at 31.03.2023	As at 31.03.2022
Contingent Liabilities not provided for in respect of :		
Bank Guarantees	659.29	378.32
Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	10,149.30	5,235.60
Claims of contractors and suppliers	-	1,339.17
Total	10,808.59	6,953.09

Note - 31: Earning per share

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Profit after tax for the year attributable to equity shareholders (Rs. In Lakhs)	(27,681.11)	(369.56)
Weighted average number of equity shares (in Nos.)	69,00,00,000	69,00,00,000
Basic and Diluted earnings per equity share (in Rs.)	(4.01)	(0.05)
Face Value per equity share (in Rs.)	10.00	10.00

Note - 32: Leases

As lessee

Disclosure regarding lease:

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Depreciation/amortisation charge for right-of-use assets by class of underlying asset;*	88.11	88.10
Interest expense on lease liabilities	-	-

*Lease amortisation is capitalised up to the time of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management, i.e. till the plant gets commissioned. In the current year, Rs.NIL lakhs (P.Y - Rs.88.10 lakhs) is capitalised in capital work-in-progress .

B: Short term Lease:

The Company has obtained certain office premises for its business operations which are not non-cancellable under leave and license agreement and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits in accordance with the agreed terms. These refundable security deposits have not been valued at amortised cost under relevant Ind AS, because of small value in nature.

Lease payments during the year:

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Lease payments	196.40	31.94

As Lessor:

The company has not given any asset on lease.



Notes to the financial statements

(Rs. In lakhs)

Note - 33: Related party disclosure:

Name of the related party and description of their relationship as under:

Name of Related Parties	Nature of Relationship
Gujarat Alkalies & Chemicals Ltd.	Joint Venturer
National Aluminum Company Ltd.	Joint Venturer
Gujarat Energy Transmission Corporation Limited	Entity in which KMP has significant influence
Sri H R Patel, IAS - Chairman	Key Management Personnel (KMP) w.e.f. 09.02.2022 upto 28.07.2022
Sri K K Panda - Vice Chairman	Key Management Personnel (KMP)
Sri S S Bhatt - Director	Key Management Personnel (KMP)
Sri G S Paliwal - Director	Key Management Personnel (KMP)
Smt Binuta Patra - Director	Key Management Personnel (KMP)
Sri Pankaj Mittal - Director	Key Management Personnel (KMP)
Sri Ketan Shah - CEO	Key Management Personnel (KMP) up to 30.06.2022
Sri N B Tripathy - CFO	Key Management Personnel (KMP) up to 05.07.2022
Sri Jayesh Shah - CEO	Key Management Personnel (KMP) w.e.f 01.09.2022
Sri Jayesh Thakkar - CFO	Key Management Personnel (KMP) w.e.f 24.01.2023
Sri M V Mistry - CS	Key Management Personnel (KMP) up to 07.07.2022
Sri Jaymeen Patel - CS	Key Management Personnel (KMP) w.e.f 08.07.2022

The following transactions were carried out with the related parties in ordinary course of business during the year:

Nature of Transaction	For the year ended 31.03.2023	For the year ended 31.03.2022
A. Joint Venturer		
Expenses incurred by GNAL and reimbursed / to be reimbursed:		
Rent and electricity charges paid for office	8.31	34.13
Rent-Other	188.09	-
Salaries of employees on deputation	-	3.15
Purchase of Materials / Services-GACL	1,164.40	183.14
Purchase of Materials / Services-NALCO	-	-
Sale of Materials / Services-NALCO	10,401.04	-
Sale of Materials / Services-GACL	5,693.98	-
Total :	17,455.81	220.42
Expenses incurred by GACL and reimbursed / to be reimbursed:	-	-
Expenses incurred by NALCO and reimbursed / to be reimbursed: (Salary of Emp)	76.80	69.94

B. Key Management Personnel :

Director's - Incidental expenses:

Sri M Torwane, IAS - Chairman	-	0.125
Sri H R Patel, IAS - Chairman	0.075	0.025
Sri K K Panda, Vice chairman	0.100	0.175
Sri S S Bhatt - Director	0.075	0.175
Sri Swaroop P. IAS - Chairman	0.075	-
Smt. Sonali Jignar - Director	0.050	-
Sri G S Paliwal - Director	-	0.175
Sri Pankaj Mittal - Director	0.125	-
Sri B.D. Mohanty - Director	0.075	-
Smt. Binuta Patra - Director	0.075	0.175
Total	0.650	0.85

KMP remuneration and deputation allowance

Sri Ketan Shah, CEO	24.36	29.97
Sri N B Tripathy, CFO	2.30	14.59
Sri M V Mistry, Company Secretary	0.94	0.60
Sri Jayesh Shah, CEO	21.94	-
Sri Jayesh Thakkar, CFO	4.17	-
Sri Jaymeen Patel, Company Secretary	9.79	-
Total	63.50	45.16

Balances payable as at the end of the year

Particulars	As at 31.3.2023	As at 31.03.2022
Gujarat Alkalies & Chemicals Ltd. (Including accruals of expenses)	3,204.09	161.01
National Aluminum Company Ltd.	76.79	69.94
Total	3,280.88	230.95



Balance receivable as at the end of the year

Particulars	As at 31.3.2023	As at 31.03.2022
National Aluminum Company Ltd.	3,452.41	-
Gujarat Alkalies & Chemicals Ltd.	1,284.65	-
Total	4,737.06	-

Advance given at the end of the year

Particulars	As at 31.3.2023	As at 31.03.2022
GETCO (Advance given)	73.74	-
Total	73.74	-

Note - 34: Segment Reporting

The company operations fall under single segment namely "Chemicals" hence no separate disclosure of segment reporting is required to be made as required under INDAS 108 'Operating Segments'

Segment revenue from chemicals represent revenue generated from external customers which is attributable to the company's country of domicile i.e. India and external customer outside India as under-

Particulars	For the Period ended 31.03.2023	For the Period ended 31.03.2022
Revenue from Operations-		
Within India	27,246.77	42.47
Outside India	-	-
TOTAL	27,246.77	42.47

Particulars	As at 31.03.2023	As at 31.03.2022
Carrying value of Segment Asset		
Within India	2,43,504.44	2,32,720.27
Outside India	-	-
TOTAL	2,43,504.44	2,32,720.27

Three customers individually contribute more than 10% of the entity's revenues. The total revenue from such entities is given below-

Particulars	For the Period ended 31.03.2023	For the Period ended 31.03.2022
Customer-1	11,239.56	-
Customer-2	8,814.19	-
Customer-3	4,630.30	-
TOTAL	24,684.05	-

Note - 35: Financial Instrument disclosure:

Capital Management

The capital structure of the Company consists of both equity and debt. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

Management of the Company reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity.

Categories of Financial Instruments:

Particulars	As at 31.3.2023	As at 31.03.2022
Financial Assets		
Measured at Fair Value through Profit or loss (FVTPL)		
Investment in Mutual Funds	-	-
Measured at Amortised Cost		
a. Trade Receivables	8,013.48	23.78
b. Cash and Cash equivalents	582.00	24,484.73
c. Other Bank Balances	20,497.16	3,108.96
d. Other Financial Assets	957.45	884.59
Total Financial Assets	30,050.09	28,502.06
Financial Liabilities		
Measured at Amortised Cost		
a. Borrowings	1,77,988.18	1,52,951.75
b. Trade Payables	11,024.62	22.68
c. Other Financial Liabilities	13,350.88	11,412.69
Total Financial Liabilities	2,02,363.69	1,64,387.12



Financial Risk Management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's capex operations. The Company's principal financial assets include deposits and cash and cash equivalents.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior Management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a. Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of the business. The major components of market risk are price risk and interest rate risk.

b. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or the future cashflows of an exposure will fluctuate because of changes in foreign exchange rates. The company undertakes transactions denominated in foreign currencies, consequently, exposure to exchange rate fluctuation arise.

Particulars	As at 31.3.2023	As at 31.03.2022
Financial Liabilities		
Borrowings	81,992.11	75,504.11
Trade Payable	1.25	-
TOTAL	81,993.36	75,504.11

Foreign Currency Sensitivity:

The Company is principally exposed to foreign currency risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR, EURO-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is

Particulars	As at 31.3.2023	As at 31.03.2022
Liabilities :		
Weakening of INR by 5%	4,099.67	3,775.21
Strengthening of INR by 5%	-4,099.67	-3,775.21

Investment of short-term surplus funds of the Company in liquid schemes of fixed deposits and mutual funds provides high level of liquidity from a portfolio of money market securities.

ii. Interest Rate Risk

The Company's main interest rate risk arises from the long term borrowings with floating rates. The Company's floating rates borrowings are carried at amortised cost. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

If the interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's interest expense would be impacted to the extent of Rs.818 lakhs (PY: Rs.421.48 lakhs).

b. Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages its funds mainly from capital infusion and borrowings.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cashflows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company maybe required to pay.



GACL - NALCO Alkalies & Chemicals Private Limited

Notes to the financial statements

(Rs. In lakhs)

	(Rs. in lakhs)			
Particulars	Within 1 year	1 year - 3 years	more than 3 years	Total
As at 31st March 2023				
a. Borrowings	26,544.15	82,069.33	69,912.89	1,78,526.37
b. Trade Payables	11,024.62	-	-	11,024.62
c. Other Financial Liabilities	13,350.88	-	-	13,350.88
Total	50,919.65	82,069.33	69,912.89	2,02,901.87
As at 31st March 2022				
a. Borrowings	-	43,427.56	1,09,524.19	1,52,951.75
b. Trade Payables	22.68	-	-	22.68
c. Other Financial Liabilities	11,412.69	-	-	11,412.69
Total	11,435.37	43,427.56	1,09,524.19	1,64,387.12

The Company has access to committed long term credit facilities of Rs.880 crs RTL and 100 million USD (PY 750 crs RTL and 100 million USD) and short term working capital facilities of Rs.160 crs (PY - Nil). The used and unused credit facilities at the end of the reporting year are mentioned below. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Long Term Credit Facilities:

Particulars	As at 31.03.2023	As at 31.03.2022
Rupee Term Loan from PNB		(Rs. in lakhs)
Amount used	87,600.00	77,600.00
Amount unused	-	10,400.00
USD Term Loan, ECB from SBI		In million USD
Amount used	100.00	100.00
Amount unused	-	-

Short Term Credit Facilities:

Particulars	As at 31.03.2023	As at 31.03.2022
Working capital Loan from SBI	(Rs. in lakhs)	(Rs. in lakhs)
Fund & Non fund Based	8,000.00	8,000.00
Amount used	4,288.83	Nil
Amount unused	3,711.17	8,000.00
Working capital Loan from PNB	(Rs. in lakhs)	(Rs. in lakhs)
Fund & Non fund Based	8,000.00	8,000.00
Amount used	4,897.01	Nil
Amount Unused	3,102.99	8,000.00

Nature of Security:

1. First charge on pari passu basis by way of mortgage / assignment / charge, of entire current asset of the company (present & Future), receivables, packing material, including all stocks of raw material, stock in process, finished goods, stores, spares and consumables, (including goods under transit) ranking first pari passu with other working capital lender.
2. Second Charge over entire fixed asset of the company located at Dahej, Bharuch ranking 2nd pari-pasu, with other working capital lenders.

c. Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk off financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in mutual funds, other receivables and loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

Note - 36. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.



Notes to the financial statements

(Rs. In lakhs)

Note - 37: Corporate Social Responsibilities (CSR):

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
a) Amount required to be spent by the company during the year	Not required	0.98
b) Amount of expenditure incurred:	-	0.98
c) Shortfall / (surplus) at the end of the year	-	-
d) Total of previous years shortfall / (surplus)	-	-4.58
e) Reasons for shortfall	NA	NA
f) Nature of CSR activities	Promotion of education, healthcare including preventive healthcare and sanitation. (During previous Year)	
g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant AS	CSR activities during the financial year was implemented through GACL Education Society, a CSR arm of GACL & an eligible entity (During Previous Year)	
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	-	-

Note - 38: Borrowing against security assets

Company has borrowing from banks or financial institution on the basis of security of current asset. Details of Qtrly statements of current asset filled by the company with banks or financial institutions & books of accounts are as below-

Quarter	Particulars	Amount as per books of Accounts	Amounts as reported in the quarterly return/Statement	Amount of difference
		(in Rs. Lakhs)	(in Rs. Lakhs)	(in Rs. Lakhs)
Jun-22	Trade Payables	2,391.85	1,431.03	-960.82
Jun-22	Trade Receivables	1,680.42	1,680.42	0.00
Jun-22	Inventories	4,801.16	4,801.16	0.00
Sep-22	Trade Receivables	2,067.25	4,432.36	2,365.11
Sep-22	Trade Payables	2,612.21	4,025.60	1,413.39
Sep-22	Inventories	6,031.28	6,031.28	0.00
Dec-22	Trade Receivables	5,031.34	5,184.36	153.01
Dec-22	Trade Payables	4,021.12	4,006.56	-14.55
Dec-22	Inventories	8,844.65	6,544.92	-2,292.72
Reasons for discrepancies				
The differences noted in Trade Payables are on account of non-consideration of amount lying in GR/IR liabilities in statement submitted to bank and posting of entries after submission of data to bank.				
Difference in inventory is on account of Operational Spares, not considered in data submitted to bank in adherence of bank's terms and conditions for non-consideration of Spares exceeding 90 days.				
In Trade Receivables, differences are on account of credit notes related to rate differences booked in accounts post submission of data to bank				

Note - 39: Ratios

Particulars	Formula	31-Mar-23	31-Mar-22
		Ratio	Ratio*
Current ratio	Current assets/ Current liabilities	1.16	Refer Note Below
Debt-equity ratio	Total debt/ Shareholder's Equity	4.40	
Debt service coverage ratio	Earnings available for debt service/ Debt Service	-0.07	
Return on equity ratio	[Net Profits after taxes – Preference Dividend (if any)]/ Average	-0.51	
Inventory turnover ratio	Cost of goods sold / Average Inventory	4.17	
Trade receivables turnover ratio	Net Credit Sales/ Average Accounts Receivable	3.40	
Trade payables turnover ratio	Net Credit Purchases/ Average Trade Payables	2.07	
Net capital turnover ratio	Net Sales/ Working Capital	3.38	
Net profit ratio	Net Profit/ Net Sales	-1.02	
Return on capital employed	Earning before interest and taxes/ Capital Employed	-0.093	



The Company has declared COD on 30th March 2022 and was in operation for 2 days only in previous year. Since, the activities were not material, ratios as required under Schedule - III were not been furnished in previous period. Accordingly % variation in current years ratio corresponding to previous years ratio are not determined.

Note - 40: Other statutory information :

- a) The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- b) On the basis of information available, the company does not have any transactions with struck off companies.
- c) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d) The company has not traded or invested in Crypto currency or Virtual Currency during the year.
- e) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- g) The company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- h) There are no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

Note - 41: Previous year's figures are regrouped / reclassified wherever necessary to correspond with current year's classification/ disclosure.

Note - 42: Approval of financial statements

The financial statements were approved for issue by the Board of Directors on 28th April, 2023

For and on behalf of Board of Directors

Sd/- (J M Patel)	Sd/- (J N Thakkar)	Sd/- (J K Shah)	Sd/- (K K Panda)	Sd/- (Pankaj Mittal)
Company Secretary	Chief Financial Officer	Chief Executive Officer	Director	Director
			DIN-08436491	DIN-2025125

As per our report of even date attached.

For K C Mehta & Co LLP
Chartered Accountants
FRN - 106237W/W100829

Place: Vadodara
Date: 28/04/2023

(Vishal P. Doshi)
Partner
M No.101533



GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED
(CIN : U24100GJ2015PTC085247)

ATTENDANCE SLIP

I/We _____

Folio No. _____

hereby record my/our present at the 8th ANNUAL GENERAL MEETING of the Company held at Board Room, GACL Corporate Building, P.O. Ranoli - 391 350, Dist. Vadodara at 4.15 P.M. on Tuesday, the 25th July, 2023.

Signature of the Member / Proxy / Representative attending the Meeting _____.

- Notes :**
- (i) Please handover the Attendance Slip at the entrance to the place of the Meeting.
 - (ii) Only Members and in their absence, duly appointed proxies will be allowed for the Meeting. Please avoid bringing non-members / children to the Meeting.



GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED
(CIN : U24100GJ2015PTC085247)

Regd. Office : GACL Corporate Building, P.O. Ranoli - 391 350, Dist. Vadodara, GUJARAT (INDIA)
Phone : +91-265-6111000

PROXY FORM

8TH ANNUAL GENERAL MEETING

Tuesday, the 25th July 2023 at 4.15 P.M.

I / We, being the Member(s), holding _____ Shares of the above-named Company, hereby appoint:

- (1) Name _____ Address _____
E-mail ID _____ Signature _____ or failing him
- (2) Name _____ Address _____
E-mail ID _____ Signature _____ or failing him

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 8th ANNUAL GENERAL MEETING of the Company to be held on Tuesday, the 25th July, 2023 at 4.15 P.M. at Board Room, GACL Corporate Building, P.O. Ranoli - 391 350, Dist. Vadodara and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
Ordinary Business:		For	Against
1.	Adoption of Audited Financial Statement for Financial Year ended on 31.03.2023.		
2.	Appointment of Shri Kalikinkar Panda (DIN: 08436491) as Director of the Company.		
Special Business:			
3.	Appointment of Shri Swaroop P. IAS (DIN: 08103838) as Director liable to retire by rotation.		
4.	Appointment of Shri Pankaj Mittal (DIN: 09611373) as Director liable to retire by rotation.		
5.	Appointment of Shri Bibhudatta Mohanty (DIN: 09706036) as Director liable to retire by rotation.		
6.	Appointment of Smt. Tamanna Patel (DIN: 10130223) as Director liable to retire by rotation.		

Signed this _____ day of _____, 2023.

Member's Folio No. : _____

Signature of Member(s) _____

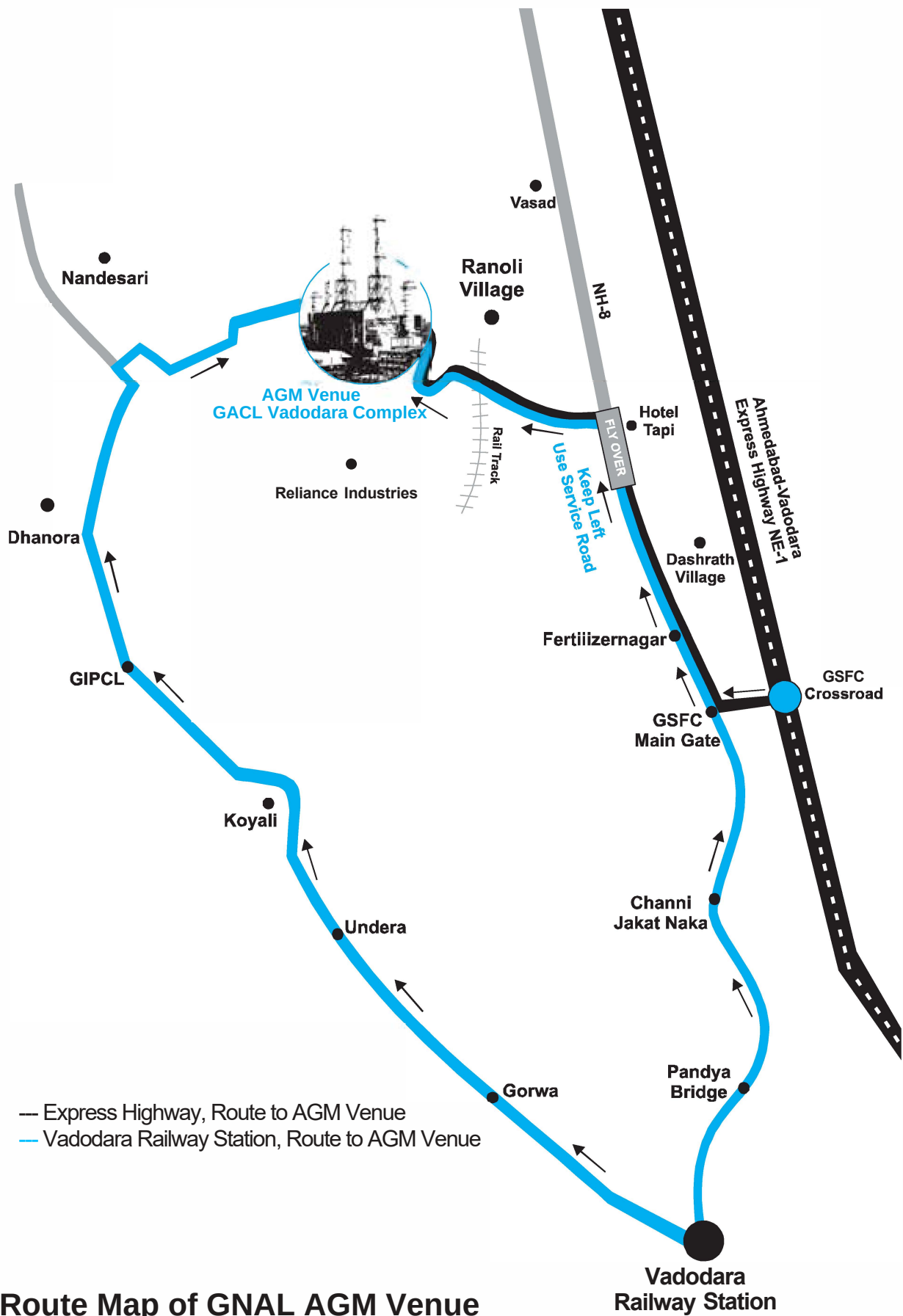
Signature of Proxy holder(s) _____

Affix
Revenue
Stamp of
Re.1/-

Notes :

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 8th ANNUAL GENERAL MEETING.
- *It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
- Please complete all details including details of Member(s) in above box before submission.

XXXX



Route Map of GNAL AGM Venue