

**GACL-NALCO ALKALIES & CHEMICALS
PRIVATE LIMITED**

ANNUAL REPORT 2017-18

GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED
CIN: U24100GJ2015PTC085247

DIRECTORS

Shri P K Gera, IAS, Chairman
Shri P G Pujara, Director
Shri S S Bhatt, Director
Shri S K Satpathy, Director *(from 24.07.2017)*
Shri Sushil Kumar Padhee *(from 03.05.2018)*
Shri K N Ravindra, Director *(upto 31.05.2017)*
Shri S K Dash, Director *(upto 31.03.2018)*

CHIEF EXECUTIVE OFFICER

Shri Ketan J Shah *(wef. 01.04.2017)*

CHIEF FINANCIAL OFFICER

Shri N B Tripathy *(from 12.06.2017)*
Shri S K Jena *(upto 09.06.2017)*

COMPANY SECRETARY

Manish Mistry

AUDITORS

Prakash Chandra Jain & Co.
Chartered Accountants
74-76, Gayatri Chambers,
R C Dutt Road,
Alkapuri, Vadodara 390005
Phone: 0265-2334365

BANKERS

HDFC Bank Limited
Arun Complex 36,
Alkapuri Society,
R C Dutt Road,
Vadodara 390005

State Bank of India
GACL Ranoli Branch,
P.O. Petrochemicals 391346
Dist. Vadodara

REGISTERED OFFICE

GACL Corporate Building
P.O. Petrochemicals 391346,
Dist. Vadodara, Gujarat.

NOTICE

NOTICE IS HEREBY given that the Third Annual General Meeting of the Shareholders of **GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED** will be held at "Board Room", GACL Corporate Building, P.O. Petrochemicals - 391346, Dist. Vadodara on July 4, 2018, at 12:00 Noon 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, 2018 including Balance Sheet as at 31st March, 2018, Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri P K Gera, IAS (DIN 05323992), who retires by rotation at this meeting and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri S S Bhatt (DIN 02025125), who retires by rotation at this meeting and being eligible, offers himself for reappointment.
4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the resolution passed by the members at the 1st Annual General Meeting (AGM) held on 12th August, 2016 and as per the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the appointment of Prakash Chandra Jain & Co.(Firm Registration No. 002438C), as the Auditors of the Company to hold office from conclusion of this 3rd AGM till the conclusion of 4th AGM, be and is hereby ratified and the Chairman, be and is hereby authorized to fix the remuneration payable to the Auditors for the Financial Year ending on March 31, 2019 and reasonable out of pocket expenses incurred by them in connection with the audit of accounts of the Company."

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and subject to such other approvals, as may be necessary and in supersession of all the earlier resolutions passed in this regard, consent of the members, be and is hereby accorded to the Board of Directors of the Company at any time, to borrow, sum or sums of monies together with the monies already borrowed by the Company, if any, (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) upto an amount of Rs.1,400 Crore (Rupees Fourteen Hundred Crore only) outstanding at any point of time, in excess of the aggregate of the paid-up share capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose."

“RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee duly constituted by the Board of Directors) be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary in respect of the above resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and in supersession of all the earlier resolution passed in this regard, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company at any time to create charge by way of hypothecation, mortgage, lien, pledge etc. in favour of its lenders / investors / agents / trustees, subject to the maximum limits of Rs.1400 Crore as approved under Section 180(1)(c) of the Companies Act, 2013, on all or any of the movable or immovable properties of the Company, both present and future to secure the various loans / credit facilities (fund based / non-fund based) granted / to be granted to the Company together with the interest at agreed rate, costs, charges, expenses and all other moneys payable by the Company under the Loan Agreement(s), Deed(s) of Hypothecation and any other deeds, documents, agreements to be entered into between the Company and the lenders / investors / agents / trustees in respect of such loans / credit facilities granted / to be granted to the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

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

“RESOLVED THAT Shri Sushil Kumar Padhee, who was appointed as Director of the Company vice Shri S K Dash, with effect from 03.05.2018, be and is hereby appointed as the Director of the Company, liable to retire by rotation.”

By Order of the Board
For GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED

Sd/-
MANISH MISTRY
Company Secretary

Place: Vadodara
Date : 3rd May, 2018

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.

2. WHEREIN MEMBER(S) IS/ARE BODY CORPORATE (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. A Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of business under Item Nos. 5 to 7 is annexed hereto.
4. All documents referred to in the accompanying Notice and the Explanatory Statement and Register of Directors and Key Managerial Personnel shall be opened 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.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

As per the provisions of Section 180(1)(c) of the Companies Act, 2013 ("Act"), certain powers can be exercised by the Board only with the consent of the shareholders by way of Special Resolution. Such powers inter-alia include power to borrow money, together with moneys already borrowed by the Company exceeding paid up share capital and free reserves of the Company apart from temporary loans obtained from the company's bankers in the ordinary course of business.

Pursuant to the provisions of Section 180(1)(c) of the Act, the Board of Directors at its 13th meeting held on 03.05.2018 approved, subject to approval of the shareholders at the annual general meeting, to exercise borrowing powers upto the limits of Rs.1400 Crore (Rupees Fourteen Hundred Crore), notwithstanding that the moneys to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the company and its free reserves, that is to say, the reserves not set apart for any specific purpose.

Since, powers under section 180(1)(c) of the Act can be exercised by the Board subject to approval of the shareholders by way of Special Resolution, the Board recommends the Resolution at Item No. 5 of the Notice for your approval.

None of the Directors / Key Managerial Personnel of the Company and their relatives is/are, in any way, concerned or interested, financially or otherwise, in the Resolution.

Item No. 6

As per the provisions of Section 180(1)(a) of the Companies Act, 2013 ("Act"), a Company shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking, unless approval of the shareholders by way of Special Resolution is obtained.

In connection with the loans / credit facilities to be obtained by the Company as and when required from banks, financial institutions etc for business purposes, the Company might be required to create charges over its assets, properties by way of hypothecation, mortgage, lien, pledge etc. in favour of its lenders (up to the limits approved under Section 180(1)(c) of the Act), for the purposes of securing the loan/credit facilities extended by them to the Company. Further, upon occurrence of default under the relevant loan/facility agreements and other documents as may be executed by the Company with the lenders, the lenders would have certain rights in respect of the Company's assets, properties including the rights of sale / disposal thereof. Creation of charge/s as aforesaid and enforcement of assets by the Company's lenders upon occurrence of default may amount to a sale/disposal of the whole or substantially the whole of the undertaking of the Company, pursuant to the provisions of Section 180(1)(a) of the Act.

The Board of Directors at its 13th meeting held on 03.05.2018 approved, subject to approval of the shareholders by way of Special Resolution, to exercise powers under section 180(1)(a) of the Act upto the ceiling of Rs.1400 Crores as approved under section 180(1)(c) of the Act.

Since, powers under section 180(1)(a) of the Act can be exercised by the Board subject to approval of shareholders by way of Special Resolution, the Board recommends the Resolution at Item No. 6 of the Notice for your approval.

None of the Directors / Key Managerial Personnel of the Company and their relatives is/are, in any way, concerned or interested, financially or otherwise, in the Resolution.

Item No. 7

Shri Sushil Kumar Padhee was appointed as Director vice Shri S K Dash with effect from 03.05.2018.

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 provide 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. Accordingly, the Board of Directors at its 13th meeting held on 03.05.2018 proposed the appointment of Shri Sushil Kumar Padhee as Director liable to retire by rotation.

The Board recommends the Resolution at Item No. 7 of the Notice for your approval.

Except Shri Sushil Kumar Padhee and his relatives, 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 Resolution.

By Order of the Board
For GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED

Sd/-
MANISH MISTRY
Company Secretary

Place: Vadodara
Date : 3rd May, 2018

BOARD'S REPORT

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

Your Directors present this 3rd Annual Report of the Company on the business and operation of the Company together with the Audited Financial Statements for the year ended on 31st March, 2018 and the report of the Auditors thereon.

PERFORMANCE AND FINANCIAL RESULTS

During the year, the Company geared up various project related activities. The Company shifted its Corporate Office to Yash Kamal Office, Vadodara.

During the year, the Company awarded contract for the supply of technology, detailed engineering and other services for Caustic Soda Plant to Thyssenkrupp Industrial Solutions (India) Private Limited (tkIS). In respect of 2x65 MW coal based power plant, the Company awarded Engineering, Procurement and Construction (EPC) Contracts for Boiler, Turbine & Generator (BTG) package to Thermax Limited and for Balance of Plant (BOP) package to ISGEC Heavy Engineering Limited.

The Company acquired a Plot No. D-II/9 admeasuring 391000 sq. mtrs. from Gujarat Alkalies and Chemicals Limited on transfer of lease basis during the year. Public Hearing for Environment Clearance was successfully completed during the year and final EIA report is already uploaded on MOEF web portal. Based on the presentation on the TOR compliances to SEAC Committee, Environmental clearance was obtained during the year.

CARE, the rating agency, awarded the "A - Stable" rating to the Company's projects. Financial Closure for Rs.1400 crores is in progress and expected to be completed by June 2018. The Company launched its website: <http://gnal.co.in>.

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

FINANCIAL SUMMARY

During the year, the Company has raised its authorized capital from Rs.100 crores to Rs.600 crores. Equity of Rs.225.53 crores was received from promoters during the year. Since the Company is in project stage, there is no income from operation.

(Rs. In lakhs)

PARTICULARS	2017-18	2016-17
Other Income	262.55	10.88
Total Expenses	323.63	209.41
Profit / (Loss) Before Tax	(61.08)	(198.53)
Less: Tax expenses	73.12	3.40
Profit / (Loss) After Tax	(134.20)	(201.93)

DIVIDEND AND RESERVES

Since, the Company has not started its operation during the period ended on 31st March, 2018, no dividend is declared and no amount is to be transferred to the reserve.

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

The Company has not started its operation during the year under review and hence, details relating to conservation of energy, technology absorption are not applicable.

FOREIGN EXCHANGE EARNINGS / OUTGO

During the financial year, the Company does not have any foreign exchange earnings and outgo.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Shri P K Gera, Chairman and Shri S S Bhatt, Director will retire by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting of the Company.

During the year, Shri S K Satpathy was appointed as Director of the Company with effect from 24.07.2017 vice Shri K N Ravindra, due to his superannuation from the services of NALCO with effect from 31.05.2017. During the financial year, Shri S K Dash, Vice Chairman & Director also resigned with effect from 31.03.2018, due to his superannuation from the services of NALCO. The Board places on record its appreciation for the valuable services rendered and contribution made by Shri K N Ravindra as Director of the Company and by Shri S K Dash as Vice Chairman & Director of the Company.

The Board of Directors at its meeting held on 04.08.2017 noted the withdrawal of nomination of Shri S K Jena as CFO of the Company by NALCO, with effect from 09.06.2017. The Board at the said meeting also approved the appointment of Shri N B Tripathy, Advisor (Finance), NALCO as CFO of the Company with effect from 12.06.2017 in place of Shri S K Jena. The Board of Directors at its meeting held on 13.12.2017 reappointed Shri M V Mistry as Company Secretary of the Company for a further period of 1 year or till the Board appoints another Company Secretary, whichever is earlier.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2017-18, Five (5) Board meetings were held on 19th May, 2017, 4th August, 2017, 2nd September, 2017, 13th December, 2017 and 28th February, 2018. The maximum interval between any two meetings was well within the maximum period of one hundred and twenty days.

STATUTORY AUDITORS

M/s Prakash Chandra Jain & Co. (Firm Registration No. 002438C), Chartered Accountants, Vadodara, was appointed as the first Auditors of the Company by the members at its first Annual General Meeting (AGM) held on 12.08.2016 to hold office from 1st AGM till the conclusion of 6th AGM of the Company, subject to ratification by the shareholders annually.

The Company has received consent from the Auditors confirming that their appointment as Statutory Auditors of the Company from 3rd AGM till the conclusion of 4th AGM of the Company, with respect to financial year 2018-19 would be within the provisions of the Companies Act, 2013 and rules made thereunder. Accordingly, ratification of the appointment of Auditors at the ensuing AGM is proposed for approval of the shareholders.

AUDITORS' QUALIFICATIONS AND INTERNAL FINANCIAL CONTROLS

There were no qualifications, reservations or adverse remarks in the Auditors' Report. As per the report of the Auditors', the Company has, in all material respects, an adequate internal financial control system and such internal financial controls were operating effectively as at 31.03.2018.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

RELATED PARTY TRANSACTIONS

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 loans, advances, share application money and payment of deputation allowance to the employees deputed by GACL and NALCO, which are forming part of the the financial statements for the year ended 31.03.2018.

INCREASE IN AUTHORISED SHARE CAPITAL

To meet the fund requirements of the Company for its project related activities, the Company during the year increased its authorized share capital from Rs.100 Crore to Rs.600 Crore and paid up share capital from Rs.5 Crore to Rs.253.33 Crore.

EXTRACT OF THE ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as **Annexure I** to the Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that -

- a) in the preparation of the annual accounts for financial year ended 31st March, 2018, 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 profit or 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, 2018 on a going concern basis;
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system was adequate and operating effectively.

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. particulars of employees drawing remuneration of not less than Rs.102 lacs p.a. / Rs.8.5 lacs p.m. under section 197(12) of the Companies Act, 2013;
3. details about policy developed and implemented on corporate social responsibility initiatives;
4. a statement on declaration given by Independent Directors under sub-section (6) of Section 149;

5. 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;
6. a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors;
7. 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.
8. constitution of internal complaint committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank the Government of India, Government of Gujarat, Promoters, Shareholders, other business associates, employees and other regulatory authorities for their support to the Company.

For and on behalf of the Board

Sd/-
Chairman

Place: Vadodara
Date : 03.05.2018

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31.03.2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	U24100GJ2015PTC085247
ii)	Registration Date	04/12/2015
iii)	Name of the Company	GACL- NALCO Alkalies & Chemicals Private Limited
iv)	Category / Sub-Category of the Company	Private Company (Limited by Shares)
v)	Address of the Registered office and contact details	GACL Corporate Building, P.O. Petrochemicals 391346 Dist. Vadodara, Gujarat Tel. No. : 0265-2232681-82
vi)	Whether listed company Yes / No	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

The Company is in the business of manufacturing of Caustic Soda. However, during the year, it has not started its operations, hence, details are not given.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Companies for which information is being filled – 1 (One)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Gujarat Alkalies and Chemicals Limited	L24110GJ1973PLC002247	Holding	60%	Sec. 2(87)
2	National Aluminium Company Limited	L27203OR1981GOI000920	Associate	40%	Sec. 2(6)

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year (01.04.2017)*				No. of Shares held at the end of the year (31.03.2018)				% Change during the year
		Demat	Physical	Total	% of Total Shares	De mat	Physical	Total	% of Total Share capital	
(A)	Shareholding of Promoter and Promoter Group									
(1)	Indian	-	-	-	-	-	-	-	-	-
(a)	Individuals/ Hindu Undivided Family	-	-	-	-	-	-	-	-	-
(b)	Central Government	-	-	-	-	-	-	-	-	-
(c)	State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate									
	GACL	-	30,00,000	30,00,000	60	-	15,19,96,400	15,19,96,400	60	-
	NALCO	-	20,00,000	20,00,000	40	-	10,13,30,934	10,13,30,934	40	-
(e)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(f)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	-	50,00,000	50,00,000	100	-	25,33,27,334	25,33,27,334	100	-
(2)	Foreign	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non-Resident Individuals)	-	-	-	-	-	-	-	-	-
(b)	Other - Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks / FI	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	-	50,00,000	50,00,000	100	-	25,33,27,334	25,33,27,334	100	-

(B)	Public shareholding	-	-	-	-	-	-	-	-	-
(1)	Institutions	-	-	-	-	-	-	-	-	-
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
(b)	Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
(c)	Central Government	-	-	-	-	-	-	-	-	-
(d)	State Government(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i)	Any Other (Foreign Bank)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2)	Non-institutions	-	-	-	-	-	-	-	-	-
(a)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(i)	Indian	-	-	-	-	-	-	-	-	-
(ii)	Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals -	-	-	-	-	-	-	-	-	-
	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	-	-	-	-	-	-	-	-	-
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	-	-	-	-	-	-	-	-	-
(c)	Others (specify)	-	-	-	-	-	-	-	-	-
(d)	Any Other : NRI	-	-	-	-	-	-	-	-	-
	: OCB	-	-	-	-	-	-	-	-	-
	: Co-op. Societies	-	-	-	-	-	-	-	-	-
	: Trusts	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-
	Total Public Shareholding (B)= (B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
	TOTAL (A)+(B)	-	50,00,000	50,00,000	100	-	25,33,27,334	25,33,27,334	100	-
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-	-	-
(1)	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
(2)	Public	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	-	50,00,000	50,00,000	100	-	25,33,27,334	25,33,27,334	100	-

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Share holding at the end of the year (31.03.2018)			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
1.	Gujarat Alkalies and Chemicals Limited	30,00,000	60%	0.00	15,19,96,400	60%	0.00	0.00
2.	National Aluminium Company Limited	20,00,000	40%	0.00	10,13,30,934	40%	0.00	0.00

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE) –

NO CHANGE IN % OF SHAREHOLDING OF PROMOTERS DURING THE YEAR

Sl. No.	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	50,00,000	100.00	50,00,000	100.00
2.	Date wise Increase / Decrease in Promoters' Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	Allotment of shares under Right Issue III to promoters on 19.04.2017	5,70,00,000	100.00	6,20,00,000	100.00
	Allotment of shares under Preferential Issue on 31.10.2017	12,13,27,334	100.00	18,33,27,334	100.00
	Allotment of shares under Right Issue IV on 28.02.2018	7,00,00,000	100.00	25,33,27,334	100.00
3.	At the end of the year	25,33,27,334	100.00	25,33,27,334	100.00

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sl. No.	Folio No.	Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
NOT APPLICABLE						

(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Name of Directors and Key Managerial Personnel	At the beginning of the year	Date wise Increase / Decrease in the Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	At the end of the year
NOT APPLICABLE				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment as on 31st March, 2018.

(Rs. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the Financial year	-	-	-	-
i) Principal Amount	-	-	-	-

ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Directors of the Company are not paid any remuneration except the sitting fees and out of pocket expenses. The details of remuneration paid to Shri Ketan J Shah, CEO and Shri N B Tripathy, CFO and Shri S K Jena, CFO (for part of the year) are provided under Clause VII – Remuneration to Key Managerial Personnel.

The details of sitting fees paid to other directors are given hereunder:

(Rs. in lakhs)

Sr. No.	Name	Sitting Fees*	Incidental expenses paid	Total
1.	Shri P K Gera, IAS	0.05	0.08	0.13
2.	Shri S K Dash (upto 31.03.2018)	0.12	0.08	0.20
3.	Shri K N Ravindra (upto 31.05.2017)	0.02	0.03	0.05
4	Shri P G Pujara	0.13	0.17	0.30
4.	Shri S S Bhatt	0.08	0.10	0.18
5.	Shri S K Satpathy (w.e.f. 24.07.2017)	0.05	0.05	0.10
	Total	0.45	0.51	0.96

* The Board of Directors has fixed sitting fees of Rs.2,500/- per meeting and incidental expenses of Rs.2,500/- per day for attending the meeting of the Board of Directors or Committees thereof. Since, the Directors on the Board of the Company are nominees represented by GACL and NALCO, sitting fees for attending meetings by Directors were paid to the respective Companies they represent and incidental expenses are paid to the individual Director for attending the meetings. The Board of Directors at their meeting held on 13.12.2017 approved the discontinuation of payment of sitting fees of Rs.2,500/- to the respective companies for meeting appointed by their nominee directors and continued the payment of incidental expenses of Rs.2,500/- to be paid to the directors for attending the meetings of the Board and Committee thereof, effective from that meeting.

VII. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

(Rs. in Lakhs)

Sr. No.	Particulars of Remuneration	NAME OF KEY MANAGERIAL PERSONNEL				TOTAL
		Sri Ketan J Shah, CEO (w.e.f. 1.4.2017)	Mr. M V MISTRY, CS	Mr. S K Jena, CFO (upto 09.06.2017)	Mr. N B Tripathy, CFO (w.e.f. 12.06.2017)	
1.	Salary / Deputation Allowance	22.85	Nil	Nil	7.00	29.85

VIII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

TYPE	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
B. DIRECTORS					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		

INDEPENDENT AUDITOR'S REPORT

To The Members of GACL-NALCO Alkalies and Chemicals Private Limited

1. Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of GACL-NALCO Alkalies and Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other comprehensive income), the statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs(financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the relevant rules issued thereunder.

This responsibility also includes 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 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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, the statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rule issued thereunder;

e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 over financial reporting 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 Auditor's Report in accordance with Rule 11 of 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 any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Prakash Chandra Jain & Co.
Chartered Accountants
FRN-002438C

Place : Vadodara
Date : 03.05.2018

(Pratibha Sharma)
Partner
Membership No. 400755

Annexure "A" to the Auditors' Report

The Annexure referred to in our report of even date. We report that:

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The company has a programme of physical verification of all its fixed assets over a period of one year, and no material discrepancies were noticed on such verification.
- (c) No material deficiencies were noticed on physical verification of fixed assets by the company.
- (ii) The Company does not have any inventory, therefore the provisions of clause 3(ii) are not applicable to the company
- (iii) As explained to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act during the year. Accordingly the clauses 3(iii) (a), (b) & (c) of the Order are not applicable.
- (iv) The company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security during the year.
- (v) The company had not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) There is no requirement to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii) a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Income tax, Goods and Service Tax, Service Tax, value added tax, cess and other material statutory dues as applicable with appropriate authorities. According to the information and explanations given to us and records of the Company examined by us, in our opinion, Provident Fund, Employee's State Insurance, Sales tax, Wealth tax, Custom duty, Excise Duty, are not applicable to the company. According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income tax, Goods and Service Tax, Service Tax, value added tax, cess and other statutory dues outstanding as at 31.03.2018 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and records of the Company examined by us there are no dues of Goods and Service tax, Income tax, Service tax, Value added tax, cess which have not been deposited on account of any dispute pending.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not availed any loans or borrowing from a financial institution, bank, government or dues to debenture holders.
- (ix) The Company has not raised any amount by way of initial public offer, further public offer or term loans during the year.
- (x) On the basis of our examination and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.
- (xi) On the basis of our examination and according to the information and explanations given to us, the Company has not paid or provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) On the basis of our examination and according to the information and explanations given to us the Company is not a Nidhi Company.
- (xiii) In our opinion and according to the information and explanations given to us , all the transactions of related parties of the Company are in compliance with the provisions of Section 177 and 188 of the Companies Act, 2013 and the details thereof has been disclosed in the Financial statements.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has made allotment of shares to its promoters on right and preferential issue basis. The company has not issued fully or partly convertible debentures during the year.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not made any non cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934.

For Prakash Chandra Jain & Co.
Chartered Accountant
FRN-002438C

Place: Vadodara

(Pratibha Sharma)
Partner
M.No.- 400755

Date: 03.05.2018

Annexure - "B" to the Auditors' Report

[Referred to paragraph 6(2)(g) of our audit report of even date]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of GACL-NALCO Alkalies and Chemicals Private Limited (The company) as of 31st March 2018 in conjunction with our audit report on the financial statements of the Company for the year ended and as 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditor's judgment, 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting 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 expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition and use company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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.

For Prakash Chandra Jain & Co.
Chartered Accountants
Firm Reg. No. : 002438C

Place: Vadodara

Date: 03.05.2018

(CA Pratibha Sharma)
Partner
Membership No. : 400755



GACL - NALCO Alkalies & Chemicals Private Limited

Balance Sheet as at March 31, 2018.

(Rs. In lakhs)

Particulars	Note No.	As at 31.3.2018	As at 31.3.2017	As at 31.3.2016
ASSETS				
1. Non-current assets				
a) Property, Plant and Equipment	2	16.80	3.92	3.31
b) Capital work-in-progress		407.16	50.63	22.38
c) Intangible assets	3	8,089.39	0.52	-
d) Other non-current assets		12,509.10	-	-
Total non-current assets		21,022.45	55.07	25.69
2. Current assets:				
a) Financial Assets:				
Cash & Cash Equivalents	4	3,787.29	2,593.63	10.00
b) Other current assets		1,005.59	0.55	-
Total current assets		4,792.88	2,594.18	10.00
TOTAL ASSETS		25,815.33	2,649.25	35.69
EQUITIES AND LIABILITIES				
1. Equity				
a) Share Capital	5	25,332.73	500.00	10.00
b) Share application money pending allotment		-	2,280.00	-
c) Other equity	6	(384.42)	(250.22)	(47.80)
Total Equity		24,948.31	2,529.78	(37.80)
2. Liabilities				
Non-current liabilities				
Current liabilities				
a) Financial Liabilities				
Trade payables	7	752.82	116.82	73.20
b) Current tax liabilities		2.21	2.31	-
c) Other current liabilities	8	111.99	0.34	0.29
Total current liabilities		867.02	119.47	73.49
TOTAL EQUITIES AND LIABILITIES		25,815.33	2,649.25	35.69

See accompanying notes to financial statements

For and on behalf of Board of Directors

(M V Mistry)	(N B Tripathy)	(K Shah)	(S K Satpathy)	(P G Pujara)
Company Secretary	Chief Financial Officer	Chief Executive Officer	Director	Director

As per our report of even date attached.

For Prakashchandra Jain & Co.
Chartered Accountants
FRN - 002438C

(Pratibha Sharma)

Place: Vadodara

Partner

Date: 03/05/2018

M No.400755



GACL - NALCO Alkalies & Chemicals Private Limited

Statement of Profit and Loss for the year ended March 31, 2018.

(Rs. In lakhs)

Particulars	Note No.	For the year ended 31.3.2018	For the year ended 31.3.2017
INCOME			
i) Revenue from operations		-	-
ii) Other Income	9	262.55	10.88
iii) Total Income (i+ii)		262.55	10.88
iv) EXPENSES			
a) Employee benefit expenses	10	45.37	116.11
b) Depreciation and amortisation	11	1.41	0.38
c) Other expenses	12	276.85	92.92
Total expenses		323.63	209.41
v) Profit / (Loss) before tax (iii - iv)		(61.08)	(198.53)
vi) Tax expense	13	73.12	3.40
vii) Profit / (Loss) for the period (v - vi)		(134.20)	(201.93)
viii) Other Comprehensive income		-	-
ix) Total comprehensive income / (Loss) for the period		(134.20)	(201.93)
Earning per equity share (face value of Rs.10 each)			
Basic & Diluted		(0.02)	(6.66)

See accompanying notes to financial statements

For and on behalf of Board of Directors

(M V Mistry)

Company Secretary

(N B Tripathy)

Chief Financial Officer

(K Shah)

Chief Executive Officer

(S K Satpathy)

Director

(P G Pujara)

Director

As per our report of even date attached.

For Prakashchandra Jain & Co.

Chartered Accountants

FRN - 002438C

(Pratibha Sharma)

Partner

Place: Vadodara

Date: 03/05/2018

M No.400755



GACL - NALCO Alkalies & Chemicals Private Limited

Cash Flow Statement for the year ended March 31, 2018.

(Rs. In lakhs)

Particulars	For the year ended 31.3.2018	For the year ended 31.3.2017
A. Cashflow from Operating activities:		
Net profit before tax	(61.08)	(198.53)
Adjustments for:		
Interest income	(262.55)	(10.88)
Depreciation	1.41	0.38
Operating profit before working capital changes	(322.22)	(209.03)
Adjustments for:		
Receivables	(1,005.04)	(0.55)
Payables	747.65	43.67
Cash generated before tax	(579.61)	(165.91)
Income tax paid	(73.22)	(1.09)
Cash generated from operating activities after tax	(652.83)	(167.00)
B. Cashflow from Investing activities:		
(Purchases)/ Sale of fixed assets	(8,459.69)	(29.76)
Capital Advances	(12,509.10)	-
Interest Received	262.55	10.88
	(20,706.24)	(18.88)
C. Cashflow from Financing activities:		
Share capital issued	22,552.73	490.00
Share issue expenses	-	(0.49)
Share premium money received	-	2,280.00
	22,552.73	2,769.51
D. Net changes in Cash & Cash Equivalents:	1,193.66	2,583.63
E. Cash & Cash Equivalents - Opening Balance	2,593.63	10.00
F. Cash & Cash Equivalents - Closing Balance	3,787.29	2,593.63

The Cash Flow Statement has been prepared under the Indirect Method set out in Ind As-7 "Statement of Cashflows".

See accompanying notes to financial statements

For and on behalf of Board of Directors

(M V Mistry) (N B Tripathy) (K Shah) (S K Satpathy) (P G Pujara)
Company Secretary Chief Financial Officer Chief Executive Officer Director Director

As per our report of even date attached.

For Prakashchandra Jain & Co.
Chartered Accountants
FRN - 002438C

(Pratibha Sharma)

Place: Vadodara
Date: 03/05/2018

Partner
M No.400755



GACL - NALCO Alkalies & Chemicals Private Limited.

Notes to the Financial Statements

Note No. 1:

I. General Information:

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: Petrochemicals – 391346, District - Vadodara, Gujarat, India. The equity shares of the company is held by Gujarat Alkalies and Chemicals Ltd (GACL), a Company promoted by Government of Gujarat and National Aluminium Company Ltd (NALCO), a Government of India company, at 60:40 ratio.

The Company is in the process of setting up a green field project of 800 TPD caustic soda manufacturing plant along with a 2X65 MW coal based cogeneration power plant at Dahej PCPIR region of Gujarat at an investment of Rs.2000 crores.

II. Significant Accounting Policies:

1. Statement of Compliance:

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

2. Basis of preparation and presentation:

The financial statements are prepared on historical cost basis. All assets and liabilities have been classified as current and non-current considering operating cycle as 12 months.

3. Use of estimates:

The financial statements have been prepared based on estimates and assumptions in conformity with principles of Ind As.

4. Revenue Recognition:

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

5. Interest Income:

Interest income from financial assets is recognised 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.

6. Employee benefits:

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, allowances, expected exgratia etc. are recognised in the period in which the employee renders services.

Post employment and long term employee benefits such as provident fund and gratuity payable under the Act are accounted on accrual basis and retained in the company for lack of minimum number of employees under the Act.



GACL - NALCO Alkalies & Chemicals Private Limited.

7. Taxation:

Current tax is measured and recognized as per prevailing tax laws. Deferred tax expenses/income is recognized on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or subsequent periods.

8. Property, Plant and Equipment:

Property plant and equipment are stated at cost less accumulated depreciation. Costs directly attributable to acquisition are kept as Capital Work-in-progress until the property plant and equipment is ready for use. The company depreciates property plant and equipment over their estimated useful lives using straight line method. The estimated useful lives of the assets are as follows:

Furniture and Fixture	-	10 years
Computers and its peripherals	-	3 to 6 years
Office Equipment	-	5 years

9. Depreciation:

Depreciation is recognised so as to write off cost of assets less their residual values over their useful life, using the straight line method. The useful life as prescribed under Schedule II of Companies Act has been followed. The residual value of assets are maintained at 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.

10. Capital work-in-progress:

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".

11. Intangible Assets:

Intangible assets with finite useful life that are acquired separately are carried at cost less accumulated amortization. Amortization is recognised on straight line basis over their estimated useful lives. The estimated useful lives, residual value 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:

Accounting software	-	5 years
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12. Provisions:

Provisions are recognised when the company has present obligation as a result of past event, it is possible the company will be required to settle the obligation, and realizable estimate can be made of the amount of the obligation.

13. Financial Instruments and assets:

Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments.

Financial instruments include Cash and cash equivalents which consists of balances with banks which are unrestricted for withdrawal and usage.



GACL - NALCO Alkalies & Chemicals Private Limited

Notes to the financial statements

Note No. 2, Property, Plant and Equipment

(Rs. In lakhs)

	As at 31.3.2018	As at 31.3.2017	As at 31.3.2016
Carrying Amount of:			
Furniture & Fixtures	2.79	3.13	3.31
Office Equipment	14.01	0.79	-
	16.80	3.92	3.31
Capital work-in-progress	407.16	50.63	22.38
		Furniture & Fixtures	Office Equipments
Cost or Deemed Cost			
Balance as on 31st March 2016		3.42	-
Additions		0.16	0.82
Balance as on 31st March 2017		3.58	0.82
Additions		-	14.18
Balance as on 31st March 2018		3.58	15.00
Accumulated Depreciation			
Balance as on 31st March 2016		0.11	-
Depreciation expense		0.34	0.03
Opening Balance		0.45	0.03
Depreciation expense		0.34	0.96
Balance as on 31st March 2018		0.79	0.99
Carrying Amount			
Balance as on 31st March 2016		3.31	-
Balance as on 31st March 2017		3.13	0.79
Balance as on 31st March 2018		2.79	14.01

Note - 3, Intangible Assets

	As at 31.3.2018	As at 31.3.2017	As at 31.3.2016
Carrying Amount of:			
Accounting software	0.40	0.52	-
Leasehold land	8,088.99	-	-
	8,089.39	0.52	-
		Accounting Software	Leasehold land **
Cost or Deemed Cost			
Balance as on 31st March 2016		-	-
Additions		0.52	-
Balance as on 31st March 2017		0.52	-
Additions		-	8,088.99
Balance as on 31st March 2018		0.52	8,088.99



GACL - NALCO Alkalies & Chemicals Private Limited

Notes to the financial statements

Accumulated Ammortisation

Balance as on 31st March 2016	-	-
Amortisation expense	0.01	-
Opening Balance	0.01	-
Amortisation expense	0.11	-
Balance as on 31st March 2018	0.12	-

Carrying Amount

Balance as on 31st March 2016	-	-
Balance as on 31st March 2017	0.51	-
Balance as on 31st March 2018	0.40	8,088.99

**Leasehold land value shall be amortised over remaining lease period of land from the date of commercial operation of plant.

Note - 4, Cash and Cash Equivalents

	As at 31.3.2018	As at 31.3.2017	As at 31.3.2016
Balance with Bank			
- In Current Account	120.07	2,284.82	10.00
- In the form of Fixed Deposits	3,667.22	308.81	-
	3,787.29	2,593.63	10.00

Note - 5. Equity share capital

	As at 31.3.2018	As at 31.3.2017	As at 31.3.2016
Authorized Share Capital			
60,00,00,000 equity shares of Rs. 10 each	60,000.00	10,000.00	100.00
Issued and subscribed capital comprises of:			
2,533,27,334 equity shares of Rs. 10 each (500,00,000 shares as on 31.3.2016 and 100,000 shares as on 31.3.2015 of Rs.10 each)	25,332.73	500.00	10.00
	25,332.73	500.00	10.00

Note - 5.1 Fully paid up equity shares

	No. of shares	Amount (Rs. In lakhs)
Balance as on 31st March 2016	1,00,000	10.00
Additional shares issued	49,00,000	490.00
Balance as on 31st March 2017	50,00,000	500.00
Additional shares issued	24,83,27,334	24,832.73
Balance as on 31st March 2018	25,33,27,334	25,332.73

Notes:

7,27,96,400 no. of equity shares of Rs.10 each aggregating to Rs.72,79.64 lakhs was issued to GACL in lieu of cost of 39.1 hacteres of land at DII/9, PCPIR Zone of Gujarat Industrial Estate, Dahej, Gujarat.



GACL - NALCO Alkalies & Chemicals Private Limited

Notes to the financial statements

Note - 5.2, Details of shares held by shareholders holding more than 5 %.

	GACL	NALCO
Balance as on 31st March 2016:		
No. of shares hold	60,000	40,000
% of holding of equity shares	60%	40%
Balance as on 31st March 2017:		
No. of shares hold	30,00,000	20,00,000
% of holding of equity shares	60%	40%
Balance as on 31st March 2018:		
No. of shares hold	15,19,96,400	10,13,30,934
% of holding of equity shares	60%	40%

Note - 6. Other Equity

(Rs. In lakhs)

	As at 31.3.2018	As at 31.3.2017	As at 31.3.2016
Opening Balance	(250.22)	(47.80)	-
Profit for the year	(134.20)	(201.93)	(47.80)
Share issue expenses	-	(0.49)	-
	(384.42)	(250.22)	(47.80)

Note - 7, Trade Payables

(Rs. In lakhs)

	As at 31.3.2018	As at 31.3.2017	As at 31.3.2016
GACL	690.73	66.95	49.39
NALCO	51.33	47.99	23.02
Others	10.76	1.88	0.79
	752.82	116.82	73.20

Note - 8, Other current liabilities

(Rs. In lakhs)

	As at 31.3.2018	As at 31.3.2017	As at 31.3.2016
Employee and other liabilities	3.24	0.29	0.29
Statutory dues	108.75	0.05	-
	111.99	0.34	0.29

Note - 9, Other Income

(Rs. In lakhs)

	For the year ended 31.3.2018	For the year ended 31.3.2017
Interest Income	262.55	10.88
Others	-	-
	262.55	10.88



GACL - NALCO Alkalies & Chemicals Private Limited

Notes to the financial statements

Note - 10. Employee benefits (Rs. In lakhs)

	For the year ended 31.3.2018	For the year ended 31.3.2017
Salaries of own employees	8.33	-
Salaries of employees on deputation	17.04	116.11
PF contribution	0.89	-
Other allowances	19.11	-
	<u>45.37</u>	<u>116.11</u>

Note - 11. Depreciation and amortisation (Rs. In lakhs)

	For the year ended 31.3.2018	For the year ended 31.3.2017
Depreciation	1.30	0.37
Amortisation	0.11	0.01
	<u>1.41</u>	<u>0.38</u>

Note - 12. Other Expenses (Rs. In lakhs)

	For the year ended 31.3.2018	For the year ended 31.3.2017
Travelling and conveyance	19.09	8.57
Vehicle hiring expenses	6.80	1.07
Directors sitting Fees	0.97	0.95
Statutory Audit fees	0.50	0.29
Professional and Consultancy fees	23.60	0.96
Share issue expenses	198.52	78.75
Rent	11.38	-
Other expenses	15.99	2.33
	<u>276.85</u>	<u>92.92</u>

Note - 13. Tax Expense (Rs. In lakhs)

	For the year ended 31.3.2018	For the year ended 31.3.2017
Current Tax	73.12	3.40
Deferred Tax	-	-
	<u>73.12</u>	<u>3.40</u>



GACL - NALCO Alkalies & Chemicals Private Limited

Notes to the financial statements

Note - 14, Earning per Share

The earning and weighted average number of equity shares used in calculation of basic earnings per share as follows.

	Units	For the year ended 31.3.2018	For the year ended 31.3.2017
Net profit after tax available for equity shareholders	Rs. In lakhs	(134.20)	(201.93)
Weighted average number of equity shares	Number	70,37,85,490	30,30,000
Basic & diluted Earning per share	Rs.	(0.02)	(6.66)

Note:

The company has not issued any convertible instruments, share options, warrants or ordinary shares to be exercised upon satisfaction of specified condition. Hence, there is no need to calculate diluted Earning per Share (EPS).

Note - 15. Capital Commitments and contingent liabilities: (Rs. In lakhs)

15.1 Estimated amount of contracts remaining to be executed on capital account and not provided for.

	As at 31.3.2018	As at 31.3.2017
Project related contracts	81,691.31	-
Others	8.68	-
	81,699.99	-

15.2 Claims against the company not acknowledged as debt:

Contingent liabilities	-	-
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Note - 16. Related Party transaction: (Rs. In lakhs)

16.1 Receipt on account of Issue of Equity Share:	Nature of transaction	For the year ended 31.3.2018	For the year ended 31.3.2017
Gujarat Alkalies & Chemicals Ltd.	Issue of equity shares	7,620.00	294.00
National Aluminium Company Ltd.		9,933.09	196.00

In addition, 7,27,96,400 no. of equity shares of Rs.10 each aggregating to Rs.72,79.64 lakhs was issued to GACL in lieu of cost of 39.1 hectares of land.

16.2 Amount owed to related parties are as follows:

	Nature of transaction	As at 31.3.2018	As at 31.3.2017
Gujarat Alkalies & Chemicals Ltd	Expenditure incurred on behalf of GNAL	690.73	66.95
National Aluminium Company Ltd.		51.32	47.99



GACL - NALCO Alkalies & Chemicals Private Limited

Notes to the financial statements

16.3 Remuneration and sitting fees paid to Directors and key managerial personels during the year as follows:

	(Rs. In akhs)		
Sri P K Gera, Chairman (KMP)	Directors sitting fees and incidental expenses	0.13	0.25
Sri S K Dash, Vice Chairman (KMP)		0.20	0.28
Sri S K Satpathy, Director (KMP)		0.10	-
Sri Pankaj Pujara, Director (KMP)		0.30	-
Sri SS Bhatt, Director (KMP)		0.18	0.25
Sri K N Ravindra, Director (KMP)		0.05	0.18
Sri Ketan Shah, CEO (KMP)	Remuneration and deputation allowance	22.85	-
Sri Pankaj Pujara, Director (CEO)		-	0.76
Sri N B Tripathy, CFO (KMP)		7.00	1.33
Sri S K Jena, CFO (KMP)		-	0.13
Sri M V Mistry, CS (KMP)		-	0.36

17. Previous year's figures are regrouped/ classified wherever necessary for current year's classification/ disclosure.

For and on behalf of Board of Directors

(M V Mistry) (N B Tripathy) (K Shah) (S K Satpathy) (P G Pujara)
Company Secretary Chief Financial Officer Chief Executive Officer Director Director

As per our report of even date attached.

For Prakashchandra Jain & Co.
Chartered Accountants
FRN - 002438C

(Pratibha Sharma)

Place: Vadodara
Date: 03/05/2018

Partner
M No.400755



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

ATTENDANCE SLIP

I/We _____

Folio No. _____

hereby record my/our present at the 3rd ANNUAL GENERAL MEETING of the Company held at Board Room, GACL Corporate Building, P.O. Petrochemicals - 391 346, Dist. Vadodara at 12:00 Noon on Wednesday, the 4th July, 2018.

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, PO. Petrochemicals - 391 346, Dist. Vadodara,
GUJARAT (INDIA)

Phone : 0091-0265-2232681-2, Fax : 0091-0265-2231208

PROXY FORM

3RD ANNUAL GENERAL MEETING
Wednesday, the 4th July, 2018 at 12:00 Noon

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
- (3) Name _____ Address _____
E-mail ID _____ Signature _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 3RD ANNUAL GENERAL MEETING of the Company to be held on Wednesday, the 4th July, 2018 at 12:00 Noon at Board Room, GACL Corporate Building, P.O. Petrochemicals - 391 346, Dist. Vadodara and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
		For	Against
Ordinary Business:			
1.	Adoption of Accounts.		
2.	Appointment of Shri P K Gera as Director of the Company.		
3.	Appointment of Shri S S Bhatt as Director of the Company.		
4.	Ratification of appointment M/s. Prakash Chandra Jain & Co., Chartered Accountants, Vadodara as Statutory Auditors & fixing their remuneration.		
Special Business:			
5.	Special Resolution for exercising borrowing powers by the Board pursuant to section 180(1)(c) of the Companies Act, 2013.		
6.	Special Resolution for creation of charge, mortgage etc on the properties of the Company under section 180(1)(a) of the Companies Act, 2013.		
7.	Appointment of Shri Sushil Kumar Padhee as Director liable to retire by rotation.		

Signed this _____ day of _____, 2018.

Member's Folio No. : _____

Signature of Member(s) _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp of
Re.1/-

- Notes : 1. 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.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 3rd Annual General Meeting.
*3. 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.
4. Please complete all details including details of Member(s) in above box before submission.