



Gujarat Alkalies and Chemicals Limited

P.O. Ranoli – 391 350 (Promoted by Govt. of Gujarat)

Regd. Office & Works : ~~PO Box No. 1111, Dist. Vadodara~~ Dist. Vadodara (Gujarat) INDIA

Phone : +91-265-6111000, 7119000 Fax : +91-265-6111012

Website : www.gacl.com CIN NO : L24110GJ1973PLC002247

Ref. : SEC/SE/2022/

2nd September, 2022

<p>The General Manager Corporate Relations Department BSE Ltd. 1st Floor, New Trading Ring Phiroze Jeejeebhoy Towers Dalal Street MUMBAI : 400 001</p> <p>Company Code No. : 530001</p>	<p>The General Manager Listing Department National Stock Exchange of India Ltd. “Exchange Plaza”, C-1, Block ‘G’ Bandra-Kurla Complex Bandra (East) MUMBAI : 400 051</p> <p>Company Code No. : GUJALKALI</p>
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Dear Sir/Madam,

Reg.: 49th Annual Report of the Company for the Financial Year 2021-22 together with the Notice of 49th Annual General Meeting of the Company scheduled to be held on 29th September, 2022.

We submit herewith the 49th Annual Report of the Company for the Financial Year 2021-22 together with the Notice of 49th Annual General Meeting of the Company scheduled to be held on Thursday, the 29th September, 2022 at 11.30 a.m. through Video Conference (VC) / Other Audio Visual Means (OAVM).

The said Annual Report together with the Notice is also available on the Website of the Company at www.gacl.com

A copy of 49th Annual Report is being emailed to all the Shareholders of the Company whose e-mail IDs are registered with the Company or R&T Agent or DPs.

Kindly take the above on record.

Thanking you,

Yours faithfully,

For GUJARAT ALKALIES AND CHEMICALS LIMITED

(S S BHATT)
COMPANY SECRETARY &
CHIEF GENERAL MANAGER (LEGAL, CC & CSR)

Encl. : as above

E-mail : cosec@gacl.co.in



Dahej Complex : P.O. Dahej - 392130. Tal. Vagra, Dist. Bharuch (Gujarat) INDIA
Phone : +91-2641-613200/613256

Soaring New Peaks with Innovations



49th Annual Report 2021-2022

Gujarat Alkalies and Chemicals Limited
(An ISO Certified Company) (Promoted by Govt. of Gujarat)

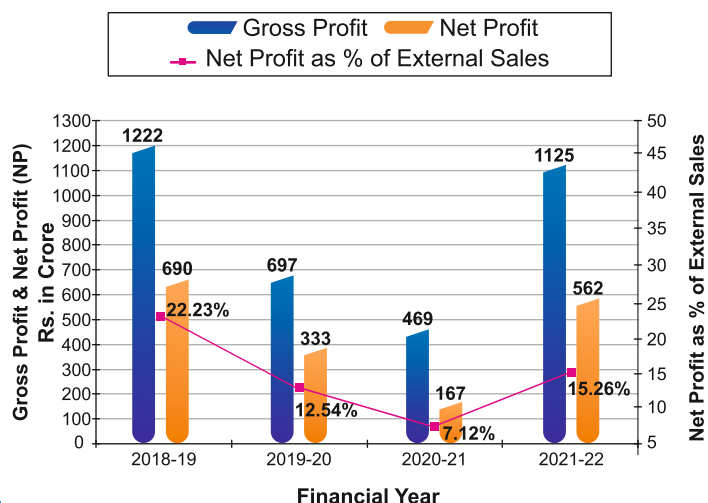
MAIN PRODUCTS AND THEIR USERS

SR. NO.	PRODUCTS	PRODUCTION (MT)		INCREASE / (DECREASE) %	POTENTIAL END USERS
		2021-22	2020-21		
1.	Caustic Soda Lye	4,54,765	4,17,312	8.97	Soaps and Detergents, Rayon, Textiles, Pulp and Paper, Chemicals, Effluent Treatment, Pharmaceuticals, Dyes & Intermediates, Petroleum Refining, Alumina Integration, Polymer Industry.
2.	Caustic Soda Flakes / Prills	1,17,173	1,36,978	(14.46)	
3.	Potassium Hydroxide	38,268	35,959	6.42	
4.	Potassium Carbonate	10,806	11,620	(7.01)	
5.	Caustic Potash Flakes	22,054	19,992	10.31	
6.	Chlorine Gas / Liquid	4,27,107	3,92,464	8.83	PVC, Chlorinated Paraffins, Pesticides and other chemicals, Hydrochloric Acid, Chloromethanes and Water Treatment.
7.	Hydrochloric Acid (30%)	3,29,277	2,99,100	10.09	Chemicals, Fertilizers, Water Treatment and Phosphoric Acid, Metal Treatment.
8.	Chloromethanes	55,860	58,100	(3.86)	Solvent, Fluorocarbon refrigerants, Pharmaceuticals, Aerosol Propellants, Paint Stripping.
9.	Phosphoric Acid (85%)	28,459	25,054	13.59	Phosphate salts and phosphating of metals, Pharmaceuticals, Sugar refining and Fine Chemicals.
10.	Hydrogen Peroxide (100%)	57,027	49,336	15.59	Textiles, Pulp and Paper, Chemicals, Pharmaceuticals, Pesticides, Dyes and Effluent Treatment.
11.	Aluminium Chloride	55,059	44,419	23.95	Pesticides and Pharmaceuticals, Aromatic Chemicals, Reforming Hydrocarbons, Friedel Crafts Reaction.
12.	Poly Aluminium Chloride (18%)	65,872	59,661	10.41	Water Treatment, Separation of slurry, Sizing in Paper Industry, Decolorisation & Decontamination of Dyes in Textile Industry and Sewage Water Treatment.
13.	Chlorinated Paraffin Wax	2,542	4,662	(45.47)	Secondary Plasticiser in PVC compounding for Pipes, Hoses, Cables, etc., Additive in Lubricating Oils and Paints.
14.	Chlorotoluene Products	16,562	14,094	17.51	As general solvent for inks, paints, lacquers and epoxyresin, medication solution as preservative and photography industries, Vat Dyes, Pharmaceuticals.
15.	Stable Bleaching Powder	16,208	19,705	(17.75)	Bleaching agent in paper, textiles and soap industry, Household Bleaching / cleaning applications, Waste water Treatment and Sewage disposal, Oxidizing Agent and Disinfecting Agent.
16.	Sodium Chlorate	21,144	17,917	18.01	Bleaching agent in paper industry & water treatment industry.
17.	Anhydrous Sodium Sulphate	652	1,096	(40.51)	Detergent Industry, Pulp & Paper Processing, Food Industry, Textile Industry, Glass Industry, Pharma Industry.
	TOTAL (1) to (17)	17,18,835	16,07,469	6.93	

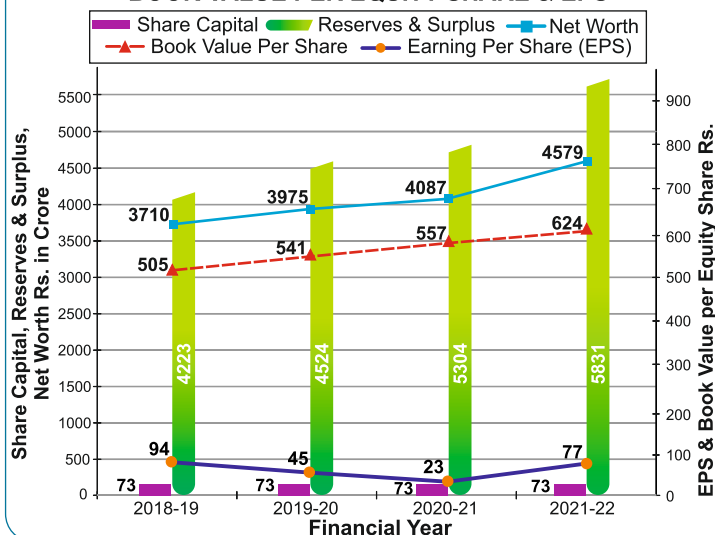
FINANCIAL HIGHLIGHTS (ON STANDALONE BASIS)

- Net External Sales increased by 57.10% to Rs.3,683.40 Crores during the year 2021-22 as against Rs.2,344.49 Crores in the previous year.
- EBITDA has increased by 142.60% to Rs.1,032.56 Crores during the year 2021-22 from Rs.425.62 Crores in previous year.
- Profit before tax (PBT) has increased by 251.41% to Rs.828.63 Crores during the year 2021-22 from Rs.235.80 Crores in previous year.
- Profit after tax (PAT) has increased by 236.82% to Rs.561.98 Crores during the year 2021-22 from Rs.166.85 Crores in previous year.

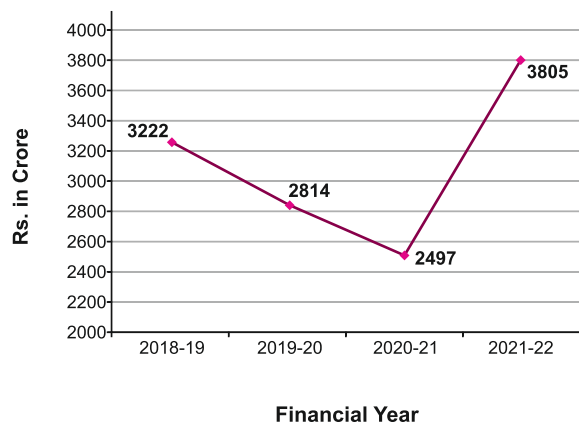
GROSS PROFIT - NET PROFIT (NP) AND NP AS % OF EXTERNAL SALES



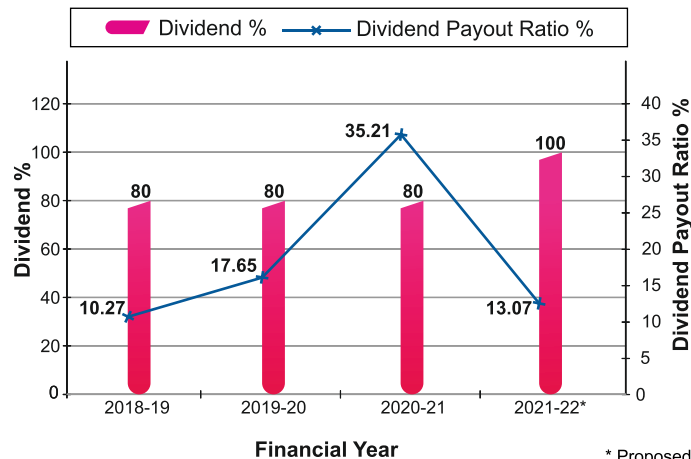
SHARE CAPITAL, RESERVES & SURPLUS, NET WORTH, BOOK VALUE PER EQUITY SHARE & EPS



TOTAL REVENUE



DIVIDEND % & DIVIDEND PAYOUT RATIO %



* Proposed

Propelling growth through expansion

To fuel its growth further, GACL is working on establishing new projects and expanding its current capacity. GACL has undertaken various projects which include 10,000 TPA Hydrazine Hydrate Project, 105,000 TPA Chloromethanes Project, 33,870 TPA Food Grade Phosphoric Acid Project, expanding existing Caustic Soda production capacity at Dahej from 785 TPD to 1310 TPD, 65 MW Coal based Power Plant and 800 TPD Caustic Soda Plant integrated with a 130 MW Coal based Power Plant of GACL-NALCO Alkalies & Chemicals Pvt. Ltd. (GNAL), a Joint Venture with M/s. National Aluminium Company Ltd. (NALCO) at Dahej. GACL has also joined hands with GAIL (India) Limited to set up a Bioethanol plant of 500 KLD capacity in the state of Gujarat.



Striving for a cleaner tomorrow with Alternative Energy Sources



At GACL, powering growth responsibly has been a very vital aspect of the corporate governance. Apart from the various eco-friendly technologies, the organization has also invested in alternative sources of energy. It has 171.4 MW of Wind Power and 35 MW of Solar Power generation capacity. By continued addition of Renewable Energy Generation Capacity for Captive use, GACL is striving to achieve 'net zero' status. The organization has joined hands with GAIL (India) Limited to set-up a Bioethanol plant of 500 KLD capacity which will be used for 20% Ethanol Blending in Petrol. GACL today uses close to 25% of electric power generated from alternative means for the production of Caustic Soda, Hydrogen and other products. It is producing about 8 MT/Day of green Hydrogen. GACL and NTPC Renewable Energy Ltd. (NTPC-REL) have also signed an MoU to collaborate in the field of renewable energy and green chemicals.

BOARD OF DIRECTORS (AS ON 04.08.2022)

Shri Pankaj Kumar, IAS.....Chairman
(from 07.09.2021)

Shri Anil Mukim, IAS (Retd.).....Chairman
(upto 03.09.2021)

Shri Pankaj Joshi, IAS.....Director
(upto 02.11.2021)

Shri M K Das, IASDirector

Shri J. P. Gupta, IASDirector
(from 15.12.2021)

Shri Tapan Ray, IAS (Retd.)..... Independent Director
(upto 31.12.2021)

Smt. Vasuben Trivedi.....Independent Director
(upto 14.02.2022)

Shri Rajiv Lochan Jain.....Independent Director

Shri S. B. Dangayach.....Independent Director

Shri Nitin Shukla.....Independent Director
(from 24.03.2022)

Smt. Shridevi Shukla.....Independent Director
(from 12.05.2022)

Shri Milind Torawane, IAS.....Managing Director
(upto 06.02.2022)
(interim period: 28.05.2022 to 23.06.2022)

Shri Harshad R Patel, IAS.....Managing Director
(from 07.02.2022 to 28.07.2022)

Shri Swaroop P. IAS.....Managing Director
(from 29.07.2022)

COMPANY SECRETARY

Shri Sanjay S. Bhatt

AUDITORS

Messrs K.C Mehta & Co.,
Chartered Accountants
Vadodara

INTERNAL AUDITORS

Messrs Parikh Mehta & Associates
Chartered Accountants
Vadodara

COST AUDITORS

Messrs R K Patel & Co.,
Cost Accountants in Practice
Vadodara

SECRETARIAL AUDITORS

Messrs Samdani Shah & Kabra
Company Secretaries in Practice
Vadodara

CHIEF FINANCIAL OFFICER

Shri Vinayak Kudtarkar

BANKERS

State Bank of India
IDBI Bank Ltd.
HDFC Bank Ltd.
Central Bank of India
AXIS Bank Ltd.
UCO Bank
Indian Bank

CIN : L24110GJ1973PLC002247

REGISTERED OFFICE

VADODARA COMPLEX AND COELHO COMPLEX :

P.O. : Ranoli - 391 350
Dist. : Vadodara
GUJARAT (INDIA)
Phone : (0265) – 6111000/7119000

DAHEJ COMPLEX - 1 :

Village : Dahej - 392 130
Tal. : Vagra,
Dist. : Bharuch
GUJARAT (INDIA)
Phone : (02641) - 613100

DAHEJ COMPLEX - 2 :

Plot No. DII/9, GIDC Dahej,
PCPIR, Near GNFC-TDI Plant,
Village: Rahiad, Taluka: Vagra,
Dist.: Bharuch
Gujarat-392 130, India.

Company's Website : www.gacl.com

REGISTRAR & SHARE TRANSFER AGENT:

Link Intime India Pvt. Ltd. (Unit : GACL)
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

**49th Annual General Meeting**Date : 29th September, 2022

Day : Thursday

Time : 11:30 a.m.

Through Video Conference/Other
Audio-Visual Means**Registered Office:**P.O. : Ranoli : 391 350,
Dist. : Vadodara
Gujarat, India**Vision**

To continue to be identified and recognized as a dynamic, modern and eco-friendly chemical company with enduring ethics and values.

Mission

- To manage our business responsibly and sensitively, in order to address the needs of our customers and stakeholders.
- To strive for continuous improvement in performance, measuring results precisely and ensuring GACL's growth and profitability through innovations.
- To demand from ourselves and others the highest ethical standards and to ensure products and processes to be of the highest quality.

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NOTICE

NOTICE IS HEREBY given that the Forty Ninth Annual General Meeting of the Shareholders of **GUJARAT ALKALIES AND CHEMICALS LIMITED (GACL)** will be held on Thursday, the 29th September, 2022 at 11:30 a.m. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the (i) Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon; (ii) Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2022 and the Report of Auditors thereon and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolutions as **Ordinary Resolutions** :
 - (i) **“RESOLVED THAT** the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”
 - (ii) **“RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2022 and the Report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”
2. To declare Dividend on Equity Shares for the Financial Year ended 31st March, 2022 and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

“RESOLVED THAT as recommended by the Board of Directors of the Company, a dividend at the rate of Rs.10.00 per Equity Share (@100%) of Rs.10/- each fully paid-up, be and is hereby declared for the Financial Year ended 31st March, 2022 and the same be paid out of the profits of the Company.”
3. To appoint a Director in place of Shri M K Das, IAS (DIN:06530792) who retires by rotation at this Annual General 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 an **Ordinary Resolution** :

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Shri M K Das, IAS (DIN: 06530792), who retires by rotation at this Annual General Meeting, be and is hereby reappointed as a Director of the Company.”

SPECIAL BUSINESS:

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

“RESOLVED THAT approval of Members for appointment of Shri Swaroop P. IAS (DIN: 08103838) as a Non Rotational Government Director with effect from 29th July, 2022 (i.e. the date on which he took over the charge), pursuant to the Notification No. AIS/35.2022/24/G dated 26th July, 2022 of the Government of Gujarat, General Administration Department, until further orders, be and is hereby accorded.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 2(78), 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) / re-enactment(s) thereof for the time being in force) and as per the Articles 11 and 14-A of the Articles of Association of the Company, the approval of the Members of the Company, be and is hereby accorded to the appointment of Shri Swaroop P. IAS (DIN: 08103838) as Managing Director of the Company vice Shri Harshad R Patel, IAS (DIN: 08101424), with effect from 29th July, 2022 (i.e. the date on which he took over the charge), until further orders from the Government, pursuant to the Notification No. AIS/35.2022/24/G dated 26th July, 2022 of General Administration Department, Government of Gujarat, subject to the limit of five(05) years.”

“RESOLVED FURTHER THAT the approval of the Members be and is hereby given for payment of remuneration including 5% of Basic Pay as per Sixth Pay Commission as payment of charge allowance / special pay or such other amount as may be advised by the Government from time to time and providing of perquisites by the Company to the Managing Director in accordance with the Articles of Association of the Company and to the extent permissible under Schedule V of the Companies Act, 2013 or as may be prescribed / approved by the Central Government, if such approval of Central Government is required and that the Board of Directors of the Company be and is hereby authorised to agree, to any revision / increase, variation, modification or amendment as may be decided from time to time by the Government in the terms and conditions of appointment including payment of remuneration.”

“RESOLVED FURTHER THAT the remuneration so fixed by the Government from time to time pursuant to Article 14-A of the Articles of Association of the Company, shall be paid as minimum remuneration subject to the ceiling prescribed under Sections 2(78),



197 and Schedule V of the Companies Act, 2013 to the Managing Director even in the event of absence or inadequacy of profits in any year during his tenure as Managing Director.”

“**RESOLVED FURTHER THAT** Shri Swaroop P. IAS, Managing Director of the Company, be and is hereby delegated and authorized to exercise substantial powers of management and shall also be responsible for management of day to day affairs of the Company subject to the superintendence, direction and control of the Board of Directors w.e.f. 29th July, 2022 i.e. the date on which he took over the charge as the Managing Director of the Company and authorised to sub-delegate such power as may be deemed fit by him, and that he shall carry out such duties as entrusted and/or delegated / to be delegated to him from time to time by the Board of Directors of the Company since his taking over the charge as Managing Director of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or its delegated authority be and is/are hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to these resolutions.”

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

“**RESOLVED THAT** in accordance with the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the remuneration as approved by the Board of Directors and set out in the statement annexed to the Notice, to be paid to M/s. Y. S Thakar & Co., Cost Accountants, Vadodara (Firm Registration No. 000318), the Cost Auditors appointed by the Board of Directors, to conduct the audit of Cost Records of the Company for the Financial Year ending March 31, 2023 be and is hereby ratified.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By Order of the Board
for GUJARAT ALKALIES AND CHEMICALS LIMITED**

**Sd/-
SANJAY S. BHATT**
Company Secretary

& Chief General Manager (Legal, CC & CSR)

Place : Gandhinagar

Date : 4th August, 2022

ANNEXURE TO THE NOTICE OF THE 49TH ANNUAL GENERAL MEETING

STATEMENT AS REQUIRED UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

The following explanatory statement set out all the material facts relating to Special Business mentioned in the Notice under Item Nos. 4 and 5 :

Item No. 4

The Government of Gujarat (GoG) in exercise of the powers vested in it under the Articles 11 and 14-A of the Articles of Association of the Company has vide its Notification No. AIS/35.2022/24/G dated 26th July, 2022 (“GoG Order”) communicated to the Company that Shri Swaroop P. IAS (DIN: 08103838), Commissioner of Land Reforms & Ex-officio Secretary to Government, Revenue Department, GoG, would hold additional charge of the post of Managing Director of the Company, until further orders, vice Shri Harshad R Patel, IAS, transferred. Shri Swaroop P. IAS assumed the charge of Managing Director of the Company w.e.f. 29th July, 2022 until further orders by Government. Thus, he is nominated as Government Director on the Board of the Company with effect from 29th July, 2022.

In pursuance of the provisions of Section 203 of the Act, GoG Order and as recommended by the Nomination-cum-Remuneration Committee at its meeting held on 3rd August, 2022, the Board of Directors of the Company had in its Meeting held on 4th August, 2022 unanimously appointed Shri Swaroop P. IAS as Non Rotational Government Director and Managing Director of the Company with effect from 29th July, 2022 and approved payment of remuneration including 5% of Basic Pay as per Sixth Pay Commission as payment of charge allowance / special pay or such other amount as may be conveyed by the Government, from time to time, during the period he holds the post of the Managing Director of the Company and providing of perquisites by the Company to the Managing Director in accordance with the Articles of Association of the Company and to the extent permissible under Schedule V of the Companies Act, 2013, subject to the approval of Members of the Company. Shri Swaroop P. IAS is holding additional charge as Managing Director of the Company and therefore, does not draw regular remuneration from the Company. As per the Article 14-A of the Articles of Association of the Company, the term and remuneration fixed by the Government shall constitute and shall be binding as a contract between Shri Swaroop P. IAS as Managing Director and the Company. He shall be paid such remuneration as mentioned above, or as may be conveyed by the Government, from time to time, during the period he holds the post of the Managing Director of the Company.

The remuneration as may be fixed by the Government from time to time shall be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year during his tenure as Managing Director subject to the limit prescribed in Schedule V of the Companies Act, 2013.

The Company has received Notice in writing under Section

160 of the Act from a Member proposing candidature of Shri Swaroop P. IAS for the office of Director. The Board considers that Shri Swaroop P.’s continued association would be of immense benefit to the Company and it is desirable to avail the services of Shri Swaroop P. IAS as Managing Director. This may be treated as a written memorandum setting out terms and conditions of appointment of Shri Swaroop P. IAS as Managing Director as per Section 190 of the Act.

Shri Swaroop P. is an IAS Officer of 2003 batch. He has done Bachelor of Physiotherapy and Master of Science in Applied Psychology. He did his Master’s in International Development Policy from Sanford School of Public Policy, Duke University, U.S.A. Presently, he is Commissioner of Land Reforms & Ex-officio Secretary to Government, Revenue Department, Gandhinagar.

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.

He has also served as Managing Director of Uttar Gujarat Vij Company Limited and Managing Director of Industrial Extension Bureau (iNDEXTb). He has held Directorships 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 also Director on the Board of Gujarat State Energy Generation Limited. Brief profile of Shri Swaroop P. IAS along with other details as required pursuant to Regulation 36 (3) of SEBI Listing Regulations and Secretarial Standards as applicable is given in the Annexure-I forming part of this Notice. Except Shri Swaroop P. IAS 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 aforesaid Resolution No. 4 of the Notice.

In terms of provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Act read with Schedule V of the Act, the appointment of Shri Swaroop P. IAS as Managing Director of the Company and payment of remuneration / special pay, if any, is subject to the approval of Members in General Meeting. Accordingly, the Board recommends the Resolution at Item No. 4 of the Notice for approval by the Members.

Item No. 5

The Board of Directors at its Meeting held on 04.08.2022 have, on the recommendation of the Audit Committee at its Meeting held on 03.08.2022 subject to any other approval,



approved the appointment of M/s. Y. S Thakar & Co., Cost Accountants, Vadodara (Firm Registration No. 000318) as Cost Auditors of the Company to conduct the Audit of the Cost Records of the Company for the Financial Year ending March 31, 2023 at a remuneration of Rs.3,19,000/- plus applicable GST.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to M/s. Y. S Thakar & Co. Cost Auditor, as recommended by the Audit Committee and approved by the Board is required to be ratified by the Members of the Company.

Accordingly, ratification by the Members is sought for the remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2023 by passing Ordinary Resolution as set out at Item No. 5 of the Notice.

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.

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

**By Order of the Board
for GUJARAT ALKALIES AND CHEMICALS LIMITED**

**Sd/-
SANJAY S. BHATT**

Company Secretary
& Chief General Manager (Legal, CC & CSR)

Place : Gandhinagar

Date : 4th August, 2022

NOTES:

1. In view of the continuing Covid-19 pandemic situation, the Ministry of Corporate Affairs ("MCA") had vide its General Circular dated May 5, 2022 read together with Circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021 and December 14, 2021 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the aforementioned MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 49th AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

2. **A Member entitled to attend and vote at the Annual General Meeting ("the meeting") is also 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. Since, this AGM is being held pursuant to the MCA Circulars, through VC/OAVM, Physical attendance of Members have been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**

Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Companies Act, 2013, at cosec@gacl.co.in

3. In compliance with the MCA Circulars and SEBI's Circulars dated May 12, 2020, January 15, 2021 & May 13, 2022 (collectively referred to as "SEBI Circulars"),

Notice of AGM along with Annual Report 2021-22 is being sent only through electronic mode to those Members whose E-mail addresses are registered with the Company/Depositories. Members may note that the Notice along with Annual Report 2021-22 has been uploaded on the website of the Company at www.gacl.com and on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and on the website of CDSL at www.evotingindia.com.

4. Members attending AGM through VC/OAVM shall be counted for the purpose of reckoning quorum under Section 103 of the Act.
5. Since the AGM will be held through VC/OAVM, the route map of the venue of the meeting is not annexed hereto.
6. A Statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of business under Item Nos. 4 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.

7. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 23rd September, 2022 to Thursday, 29th September, 2022 (both days inclusive).
8. The dividend on equity shares, if declared at the AGM, will be paid on or after Monday, 3rd October, 2022 to those shareholders holding shares in physical form and whose names appear on the Register of Members of the Company on 29th September, 2022. In respect of shares held in electronic form, the dividend will be payable to those who are the beneficial owners of shares after close of business hours on the 22nd September, 2022 as per details furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). Dividend Warrants/Demand

Drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details.

9. (a) Members holding shares in electronic form may note that their bank details as may be furnished to the Company by respective Depositories will only be considered for remittance of dividend through NECS/ECS or through Dividend Warrants. Beneficial Owners holding Shares in demat form are requested to get in touch with their Depository Participants (DP) to update / correct their NECS/ ECS details to avoid any rejections and also give instructions regarding change of address, if any, to their DPs. It is requested to attach a photocopy of a cancelled cheque with your instructions to your DP.
- (b) The Company has appointed Link Intime India Pvt. Ltd. as Registrar and ShareTransfer Agent (R&T Agent). Members are requested to send all future correspondence to the Link Intime India Pvt. Ltd. at B-102 & 103, Shangrila Complex, 1st Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara 390 020. Members holding shares in physical mode are requested to notify immediately any change in their addresses, the Bank mandate or Bank details along with required forms viz. Forms ISR-1, ISR-2, ISR-3 / SH-13 and supporting documents to the R&T Agent of the Company.
- (c) Shareholders holding shares in physical form are requested to update/register their PAN, Nomination, Contact Details i.e. Postal address with PIN, Mobile number, E-mail address, Bank Account details and Specimen Signature by providing form ISR-1, ISR-2, ISR-3 / form SH-13 complete in all respects along with other required documents as prescribed in these forms. These forms are available on the website of the Company at www.gacl.com – Investors – Other Disclosure – Update / Register Email, PAN, KYC, Nomination & Download Forms and also available on the website of Share Transfer Agent viz. <https://www.linkintime.co.in> - Resource – Downloads General -Format of KYC. The said forms can be submitted by any one of the following mode:-
- (i) Sending hard copy of the said forms along with required documents to our RTA, Link Intime India Private Limited at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083, Unit: Gujarat Alkalies and Chemicals Limited; or
- (ii) In person verification (IPV) of the said forms and required documents at the office of our RTA, Link Intime India Private Limited at B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radha Krishna Char Rasta, Akota, Vadodara – 390 020; or

- (iii) Through electronic mode, by downloading and filling the said forms with e-sign. The required documents should be uploaded at the website of the RTA of the Company at <https://web.linkintime.co.in/KYC/index.html>. Procedure for uploading is available at the said link.

Shareholders holding shares in dematerialized mode are also requested to update/register their KYC details including email address with the Depository Participants (DP).

10. The Shareholders are advised to encash their dividend warrants within validity period. Thereafter, the payment of unencashed dividend warrants shall be made only after receipt of final list of unclaimed dividend warrants and reconciliation of Dividend Account from Bank. The payment of unclaimed dividend will be made by electronic bank transfer or in case of failure/rejection, by issuing banker's cheque or Demand Draft incorporating the bank accounts details of security holder after receipt of required forms and supporting documents as mentioned in above notes by the Shareholder and verification thereof by the R & T Agent of the Company.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f. 1st April, 2020 and Company is required to deduct tax at source on payment of dividend at the prescribed rates. The Shareholders are requested to refer the Finance Act, 2020 and amendments thereof for prescribed rates for various categories of shareholders. Shareholders may submit their forms for non deduction of tax at source (TDS) viz. 15G/15H/10F and other relevant documents with RTA of the Company at <https://www.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> latest by 10th September, 2022. For any query shareholder can send E-mail to vadodara@linkintime.co.in.

11. (a) Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended (hereinafter referred to as "IEPF Rules"), the Company has transferred the unclaimed dividend under Section 124 (5) of the Act to Investor Education and Protection Fund (IEPF) as detailed below:

Financial Year	Date of			Amount Transferred (Rs.)
	Declaration of Dividend	Transferred to Un-paid Dividend A/c.	Transferred to IEPF	
2013-14	22.08.2014	22.09.2014	23.09.2021	16,32,752.00

- (b) Attention of the Members is drawn to the provisions of Section 124 (6) of the Act which requires the Company to transfer all Shares in respect of which dividend has not been paid or claimed for seven (07) consecutive years or more to IEPF Authority.



In accordance with the aforesaid provision of the Act read with the Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred 20,337 shares of 287 Shareholders of the Company in respect of which dividend declared for the Financial Year 2013-14 has remained unclaimed or unpaid for a period of seven (07) consecutive years or more through Corporate Actions to the Demat Account of IEPF Authority.

- (c) The Members who have not encashed dividend warrant(s) for the years 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21 are requested to claim payment immediately by registering the PAN, KYC details and nomination with Company's R&T Agent, Link Intime India Pvt. Ltd. at the modes specified above. After seven years, unclaimed dividend shall be transferred to the Investor Education and Protection Fund. Pursuant to provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the details of unclaimed dividend amount lying with the Company as on 31.03.2021 has been uploaded on the Company's website (www.gacl.com) and also filed with the Ministry of Corporate Affairs.
12. Any person, whose unclaimed dividend or shares have been transferred to the IEPF Authority may claim back the same by making an application in Form IEPF 5 to the IEPF Authority, which is available on Website of IEPF Authority at www.iepf.gov.in.
13. As on 31.03.2022, Share Certificates for 388 shares of 14 shareholders / allottees (returned undelivered by Post) are lying in Unclaimed Shares Suspense Account with the Stock Holding Corporation of India Ltd. (SHCIL), Vadodara in Demat form. As per SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 and SEBI Circular No. PR No.: 51/2018 dated 3rd December, 2018 transfer of shares in physical mode were allowed up to 31.03.2019 and w.e.f. 01.04.2019, transfer of shares of Listed Company can only be effected in the dematerialized form.
14. Pursuant to the provisions of Section 72 of the Companies Act, 2013, Shareholders are entitled to make nomination in respect of the shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH-13 (which is available on the Company's Website : www.gacl.com) to the R&T Agent, Link Intime India Pvt. Ltd. at the address given above.
15. **Members who have not registered their E-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**
16. Members who would like to seek any information on any matter to be placed at AGM with regard to Audited Annual Accounts or any other proposed Resolution(s) during the

Meeting or would like to express their views, may register themselves as a speaker by sending their request from their registered E-mail address mentioning their name, DPID/Client ID/Folio number, PAN, Mobile Number at cosec@gacl.co.in on or before 21st September, 2022. Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Members who do not wish to speak during the AGM but have queries may send their queries in advance on or before 21st September, 2022 mentioning their name, Demat Account Number/Folio Number, e-mail ID, Mobile Number at cosec@gacl.co.in. The Company will reply to these queries suitably.

Inspection of documents:

All documents referred to in this Notice and Statement u/s. 102 of the Act will be available for inspection electronically by the Members of the Company from the date of circulation of this Notice upto the date of the AGM. Members seeking to inspect such documents may send an e-mail to cosec@gacl.co.in.

17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form should submit their PAN to the Company / R&T Agent.
18. **Procedure for Remote E-Voting, Attending the AGM through Video Conference/Other Audio Visual Means (VC/OAVM) and E-Voting facility during the AGM.**

A. E-Voting facility:

- i. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular on e-Voting facility provided by Listed Entities dated December 9, 2020 and the General Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020, January, 13, 2021, December 14, 2021 and May 05, 2022, the Company is providing facility for voting by electronic means ("e-Voting") and the business in respect of all Shareholders' Resolutions may be transacted through such e-Voting. The facility is provided to the Shareholders to exercise their rights to vote by electronic means from a place other than the venue of AGM ("remote e-Voting") as well as e-Voting system on the date of AGM through e-Voting services provided by Central Depository Services (India) Limited (CDSL).

The Members who would have already cast their votes by remote e-Voting prior to the AGM date may attend the meeting through VC/OAVM but shall not be entitled to cast their votes again.

- II. The Company has fixed Thursday, 22nd September, 2022 as a cut-off date to record the entitlement of the Shareholders to cast their votes electronically by remote e-Voting as well as by e-Voting system on the date of AGM.
- III. **The remote e-Voting period commences on Monday, 26th September, 2022 (09:00 a.m.) and ends on Wednesday, 28th September, 2022 (05:00 p.m.). During this period, Shareholders of the Company holding shares either in physical form or in dematerialized form as on the cut-off date, i.e. 22nd September, 2022 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting after 5.00 p.m. on 28th September, 2022. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently.**
- IV. Any person, who become Member of the Company after dispatch of the Notice of the meeting and

holding shares as on the cut-off date i.e. Thursday, 22nd September, 2022 may obtain USER ID and password by following e-Voting instructions which is part of Notice and the same is also placed in e-Voting Section of CDSL Website i.e. www.cdslindia.com / www.evotingindia.com and Company's Website i.e. www.gacl.com. For further guidance, Members are requested to send their query by E-mail at helpdesk.evoting@cdslindia.com.

- V. In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories / Websites of Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-Voting facility.

B. PROCEDURE FOR REMOTE E-VOTING AND FOR JOINING AGM THROUGH VC/OAVM – FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE:

Type of shareholders	Login Method
<p>A. Individual Shareholders holding securities in demat mode with CDSL</p>	<p>a) Users already registered for CDSL's Easi / Easiest facility may follow the following procedure :</p> <ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting of vote during the remote e-Voting period or joining AGM through VC/OAVM & voting during the AGM. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration <p>b) User may directly access the e-Voting module of CDSL as per the following procedure :</p> <p>The user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin.</p> <p>The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>

<p>B. Individual Shareholders holding securities in demat mode with NSDL</p>	<p>a) Users already registered for NSDL’s IDeAS facility may follow the following procedure :</p> <ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. 2) Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. 3) A new screen will open. You will have to enter your User ID and Password. 4) After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. 5) Click on company’s name “Gujarat Alkalies and Chemicals Limited” or e-Voting service provider’s name. On clicking any of the links, you will be re-directed to e-Voting service provider’s website for casting your vote during the remote e-Voting period or joining AGM through VC/OAVM & voting during the AGM. <p>b) Users not registered for NSDL’s IDeAS facility may follow the following procedure :</p> <ol style="list-style-type: none"> 1) Option to register is available at https://eservices.nsd.com 2) Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) After successful registration, please follow steps given under Sr. No. B(a) above to cast your vote. <p>c) User may directly access the e-Voting module of NSDL as per the following procedure :</p> <ol style="list-style-type: none"> 1) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. 2) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. 3) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. 4) After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. 5) Click on Company’s name “Gujarat Alkalies and Chemicals Limited” or e-Voting service provider’s name. On clicking any of the links, you will be redirected to e-Voting page of CDSL’s website for casting your vote during the remote e-Voting period or joining AGM through VC/OAVM & voting during the AGM.
<p>C. Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<ol style="list-style-type: none"> 1) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 2) After successful login, you will be able to see e-Voting option. 3) Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein, you can see e-Voting features. 4) Click on Company’s name “Gujarat Alkalies and Chemicals Limited” or e-Voting service provider’s name and you will be re-directed to the e-Voting service provider’s Website for casting your vote during the e-Voting period or joining AGM through VC/OAVM & voting during the AGM.

Important note: Members who are unable to retrieve User ID/Password are advised to use “Forget User ID” and “Forget Password” option available at abovementioned website(s).

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login type	Helpdesk details
Individual Shareholders holding Securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.
Individual Shareholders holding Securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 224 430.

C. PROCEDURE FOR REMOTE E-VOTING AND FOR JOINING AGM THROUGH VC/OAVM – FOR (i) SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT FORM; AND (ii) PHYSICAL SHAREHOLDERS.

- 1) The Shareholders should log on to the e-Voting Website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now, enter your User ID :
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification Code as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any company, then, your existing password is to be used.
- 6) If you are a first-time user, follow the steps given below:

	For Members holding shares in Demat Form other than individual Shareholder and Members holding Shares in Physical Form
Permanent Account Number (PAN)	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Shareholders holding shares in demat as well as physical form). Members who have not updated their PAN with the Company/Depository Participant are requested to use the 10 Digits Sequence Number. The Sequence Number is communicated by e-mail indicated in the PAN field or contact Company / RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details (i.e. Dividend Bank Details and Date of Birth) are not registered with the Company or Depository, please enter the Member ID / Folio No. in the Dividend Bank details field mentioned in instruction (3) hereinabove.

- 7) After entering these details appropriately, click on “SUBMIT” tab.
- 8) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 9) For Members holding shares in physical form, the details can be used only for e-Voting on the Resolutions contained in this Notice.
- 10) Click on the EVSN 220818018 for GUJARAT ALKALIES AND CHEMICALS LIMITED for which you choose to vote.
- 11) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for



voting. Select the option YES or NO as desired by you. The option “YES” implies that you assent to the Resolution and option “NO” implies that you dissent to the Resolution.

- 12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 13) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 17) **Additional facility for Non – Individual Shareholders and Custodians – Remote e-Voting only :**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User will be created using the Admn. Login and Password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - **Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz :cosec@gacl.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.**

You can also update your mobile number and e-mail ID records with R&T Agent/Company (for physical shares) and with Depository Participants (for Demat Shares) before cut-off date i.e.22.09.2022, for e-Voting.

In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions (FAQs) and e-Voting manual available at www.evotingindia.com under ‘Help Section’ or write an E-mail to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai : 400 013 or you may send an E-mail to helpdesk.evoting@cdslindia.com or call on 1800 22 55 33.

D. Instructions for Shareholders for E-Voting during the AGM:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned in Points “A”, “B” and “C” above for e-Voting.
2. Only those Shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
3. If any Votes are cast by the Shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders participating in the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
5. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2022.
6. Mr. Niraj Trivedi, Practicing Company Secretary, 218-221, Saffron Complex, Fatehgunj, Vadodara:390 002 (Gujarat) has been appointed as Scrutinizer to scrutinize the remote e-Voting process as well as the e-Voting system on the date of the AGM.

7. The result of the voting will be announced by the Chairman of the meeting within stipulated time as per the Scrutinizer's Report to be submitted to the Chairman. The results of voting will be communicated to the stock exchanges and will be placed on the CDSL's Website (under "Notices – Results section") i.e. www.evotingindia.com; on the Website of the Company i.e. www.gacl.com and also on the notice board of the Company.

E. Process for those Members whose E-mail IDs / Mobile No. are not registered:

- For Members holding shares in Physical mode - please provide necessary details like Folio No., Name of Members by E-mail to vadodara@linkintime.co.in.
- Members holding shares in Demat mode can get their E-mail ID / Mobile No. registered, which is mandatory while e-Voting and joining AGM through VC/OAVM, by contacting their respective Depository Participant.

F. Instructions for Members joining the AGM through VC/OAVM :

- The Members can join the AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The link for VC/OAVM to attend AGM will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned at Sr. No. "A", "B" and "C" above for e-Voting.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Contact Details

Company	: Gujarat Alkalies and Chemicals Limited P.O. : Ranoli - 391 350 DIST. : VADODARA (GUJARAT) Phone: (0265) 6111369, Extn. 453 / 255 E-mail : cosec@gacl.co.in
Registrar & Share Transfer Agent	: Link Intime India Private Limited (Unit : GACL) B -102 & 103, Shangrila Complex, 1 st Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, VADODARA : 390 020 (GUJARAT) Phone: (0265) 2356573 E-mail : vadodara@linkintime.co.in
e-Voting Agency	: Central Depository Services (India) Limited E-mail : helpdesk.evoting@cdslindia.com Phone: 1800 22 55 33
Scrutinizer	: Mr. Niraj Trivedi Practicing Company Secretary 218-221, Saffron Complex, Fatehgunj, VADODARA : 390 002 (GUJARAT) E-mail: csneerajtrivedi@gmail.com



ANNEXURE - I

DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT BY THE SHAREHOLDERS OF THE COMPANY AT THE ENSUING ANNUAL GENERAL MEETING IN PURSUANCE OF REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND APPLICABLE SECRETARIAL STANDARDS

Name of Director	Shri M K Das, IAS	Shri Swaroop P. IAS
DIN	06530792	08103838
Date of Birth	20.12.1966	25.04.1978
Date of first appointment on the Board	03.08.2017	29.07.2022
Terms and Conditionsof Appointment	Shri M K Das, IAS shall be liable to retire by rotation under the Companies Act, 2013.	As provided in the Explanatory Statement to the Notice.
Details of Remuneration	Shri M K Das, IAS shall not draw any remuneration from Company except sitting fees and out of pocket expenses for attending Board and Committee Meetings.	Shri Swaroop P. IAS shall be paid such remuneration/charge allowance as may be conveyed by the Government of Gujarat from time to time, within the overall limits prescribed under the Companies Act, 2013.
No. of Shares held in GACL either by self or any beneficial basis for any other person	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	<ul style="list-style-type: none"> - IAS - B. Tech (Computer Science) from IIT – Kharagpur 	<ul style="list-style-type: none"> - IAS - Bachelor of Physiotherapy - Master of Science in Applied Psychology - Master's in International Development Policy from Sanford School of Public Policy, Duke University, U.S.A
Nature of Expertise in specific functional areas/ Experience	<p>Shri M K Das is a Senior IAS Officer of 1990 batch. He has done B.Tech (Computer Science) from IIT- Kharagpur. He has done specialization in Revenue administration, Urban Management & Civic Issues, Law & Order and Disaster Management. He is Additional Chief Secretary, Ports & Transport Department, Government of Gujarat. He was Chairman of Gujarat Industrial Investment Corporation Limited (GIIC).</p> <p>He has very rich and varied experience in different capacities viz. District Development Officer, Junagadh; District Collector, Porbandar, Palanpur & Surat; Deputy Municipal Commissioner, Ahmedabad; Municipal Commissioner, Surat & Vadodara; District (J&K Affairs), Home Ministry, Government of India; Principal Secretary, Food, Civil Supplies & Consumer Affairs Dept; Principal Secretary, Industries & Mines Department, Government of Gujarat. He is Director on the Board of Surat Integrated Transportation Development Corporation Limited.</p>	<p>Shri Swaroop P. is an IAS Officer of 2003 batch. He has done Bachelor of Physiotherapy and Master of Science in Applied Psychology. He did his Master's in International Development Policy from Sanford School of Public Policy, Duke University, U.S.A. Presently, he 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 Director of Industrial Extension Bureau (iNDEXTb). He has held</p>

Name of Director	Shri M K Das, IAS	Shri Swaroop P. IAS
		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 also Director on the Board of Gujarat State Energy Generation Limited.
Names of other Companies in which Directorship is held	1 Surat Integrated Transportation Development Corporation Limited	1 Gujarat State Energy Generation Limited.
Names of the Committees of the Board of Companies in which Membership/ Chairmanship is held	Gujarat Alkalies and Chemicals Limited – Stakeholders' Relationship-cum-Investors' Grievance Committee - Member – Corporate Social Responsibility Committee – Member – Project Committee – Member – Nomination-cum-Remuneration Committee – Member – Corporate Environment Responsibility Committee – Member	Gujarat Alkalies and Chemicals Limited – Audit Committee - Member – Stakeholders' Relationship-cum-Investors' Grievance Committee - Member – Corporate Social Responsibility Committee – Member – Project Committee – Member – Personnel Committee – Member – Selection Committee – Member – Risk Management-cum-Safety Committee – Member – Corporate Environment Responsibility Committee – Member
Listed entities from which the person has resigned in the past three years	Gujarat Mineral Development Corporation Limited	N.A.

For details regarding the number of meetings of the Board / Committees attended by the above Directors during the year and remuneration drawn / sitting fees received, please refer to the Board's Report and the Corporate Governance Report forming part of this Annual Report.

Since Shri Swaroop P. IAS was appointed on 29th July, 2022 as Managing Director of the Company, number of meetings of the Board / Committees attended by him and remuneration drawn / sitting fees received during the year is not applicable.



BOARD'S REPORT

To
The Members,

Your Directors present this 49th Annual Report of the Company on the business and operations of the Company together with Standalone and Consolidated Audited Financial Statements (Ind AS based) for the Financial Year ended 31st March, 2022 and the report of the Auditors thereon.

PERFORMANCE AND FINANCIAL RESULTS

The financial performance of the Company for the year ended 31st March, 2022 is summarized below:

FINANCIAL RESULTS – SUMMARY AND HIGHLIGHTS

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	3,75,874	2,42,948	3,75,874	2,42,948
Other Income	4,639	6,746	4,639	6,746
Profit / (Loss) before Depreciation, Finance Cost and Tax Expense	1,03,256	42,562	1,03,256	42,562
Less: Depreciation / Amortisation / Impairment	19,778	17,436	19,778	17,436
Profit / (Loss) before Finance Cost and Tax Expense	83,478	25,126	83,478	25,126
Less: Finance Cost	615	1,546	615	1,546
Share of Profit / (Loss) of Joint Venture	-	-	(222)	(111)
Profit / (Loss) Before Tax Expense	82,863	23,580	82,641	23,469
Less: Tax Expense (Current & Deferred)	26,665	6,895	26,665	6,895
Profit / (Loss) for the year (1)	56,198	16,685	55,976	16,574
Total Other Comprehensive Income / (Loss) (2)	2,363	67,198	2,363	67,198
Total (1 + 2)	58,561	83,883	58,339	83,772
Balance of Profit / (Loss) for earlier years	1,48,461	1,46,157	1,48,167	1,45,975
Amount available for Appropriation	2,03,255	1,62,679	2,02,740	1,62,385
Less: Transfer to Reserves	-	8,343	-	8,343
Less: Dividend paid on Equity Shares	5,875	5,875	5,875	5,875
Balance carried forward	1,97,380	1,48,461	1,96,865	1,48,167
Earning per Share	Rs.76.53	Rs.22.72	Rs.76.22	Rs.22.57
Dividend per Share	Rs.08.00	Rs.08.00	Rs.08.00	Rs.08.00
Book Value per Share	Rs.623.51	Rs.556.54	Rs.622.81	Rs.556.14

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The highlights of the Company's performance for the year ended 31st March, 2022 are as under:

At Standalone Level

- The Company has achieved Net External Sales of Rs.3,683.40 Crores during the year 2021-22 as against Rs.2,344.49 Crores in the Previous Year.
- Total production of all products has increased by 6.93% to 17,18,835 MT during the year 2021-22 from 16,07,469 MT in previous year.
- Other Operating income has decreased by 11.37% to Rs.75.33 Crores during the year 2021-22 from Rs.84.99 Crores in previous year.
- Other income has decreased by 31.22% to Rs.46.39 Crores during the year 2021-22 from Rs.67.45 Crores in previous year.
- EBITDA has increased by 142.60% to Rs.1,032.56 Crores during the year 2021-22 from Rs.425.62 Crores in previous year.
- Profit before tax has increased by 251.41% to Rs.828.63 Crores during the year 2021-22 from Rs.235.80 Crores in previous year.
- Profit after tax has increased by 236.82% to Rs.561.98 Crores during the year 2021-22 from Rs.166.85 Crores in previous year.

At Consolidated Level

- EBITDA has increased by 142.71% to Rs.1,030.34 Crores during the year 2021-22 from Rs.424.51 Crores in previous year.
- Profit before tax has increased by 252.13% to Rs.826.41 Crores during the year 2021-22 from Rs.234.69 Crores in previous year.
- Profit after tax has increased by 237.73% to Rs.559.76 Crores during the year 2021-22 from Rs.165.74 Crores in previous year.

TRANSFER TO RESERVES

The Company has not transferred any sum to the General Reserve Account during the Financial Year 2021-22.

DIVIDEND

Your Directors are glad to recommend a Dividend @ Rs.10.00 per share (i.e. 100%) on 7,34,36,928 Equity Shares of Rs.10/- each fully paid up for the year ended 31st March, 2022 (Previous Year – Dividend @ Rs.8.00 per share i.e. 80%). Dividend is subject to approval of members at this Annual General Meeting and shall be subject to deduction of TDS as per Income Tax Act.

The dividend recommended is in accordance with the Company's "Dividend Distribution Policy".

MATERIAL CHANGES AND COMMITMENTS

There has been no other material changes and commitments, which affect the financial position of the Company which

have occurred between the end of the Financial Year 2021-22 and the date of this Report. There has been no change in the nature of business of the Company.

The management does not see any risks to Company's ability to continue as a going concern and expects that the Company will be able to meet its liabilities in the foreseeable future as and when the same would become due.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in the **Annexure - 1** to this report.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANY

GACL-NALCO Alkalies & Chemicals Pvt. Ltd.

The Company and National Aluminium Company Limited (NALCO), a Government of India Enterprise (a Navratna Company) have jointly incorporated a Joint Venture Company, viz., GACL-NALCO Alkalies & Chemicals Pvt. Ltd. (GNAL) (CIN U24100GJ2015PTC085247) on 4th December, 2015 for setting up 2,66,667 MTPA (100%) Caustic Soda Plant and 130 MW Coal based Power Plant at Dahej, Gujarat.

The Company holds 60% and NALCO holds 40% in GNAL. Accordingly, GNAL is a subsidiary of the Company. Effective from 1st April 2020, GNAL has become material subsidiary company of the Company.

The Managing Director of GACL is the Chairman of GNAL. The Managing Director of GACL does not draw any commission or any remuneration from GNAL except incidental expenses of Rs.2,500/- per day of meeting(s) for attending the meetings of the Board of Directors or Committees thereof.

As per Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a separate statement containing the salient features of financial statement of the Joint Venture / Subsidiary Company in Form AOC-1 forms part of the Annual Report.

In accordance with the provisions of Section 136 of the Companies Act, 2013, the Annual Report of the Company, containing Standalone and Consolidated Financial Statements of the Company has been placed on the Website of the Company at www.gacl.com. Further, the Audited Financial Statements of GNAL for the year ended 31st March, 2022 are also placed on the Website of the Company at www.gacl.com and also at Website of GNAL at www.gnal.co.in

Interested Shareholders may obtain a physical copy of the audited financial statements of the Subsidiary Company



by sending a request to the Company Secretary at the Company's Registered Office.

GNAL has, on 30th March 2022, successfully completed the start-up of the 200 TPD (ton per day) CEU (Caustic Evaporation Unit) and has produced 100 MT Caustic Soda of 48.5% concentration and with the same, the CEU Unit was partially commissioned. The Captive Power Plant and the Caustic Soda Plant have been commissioned progressively in a phased manner during the current Financial Year 2022-23.

Vadodara Jal Sanchay Pvt. Ltd.

The Government of Gujarat, vide Gazette Notification dated 28.05.2018, notified the "Policy for Reuse of Treated Waste Water" (TWW). As per the said Policy, Reuse of TWW was mandatory for industries consuming minimum 1 lakh liter per day (100 M3/day) of fresh water for Non-Potable purpose and which are situated within 50 km distance from STP or city limits. Reuse of Treated Waste Water should be minimum 25% of the total fresh water consumption within 1 year, 70% by 2025 and 100% by 2030.

In compliance of the said Policy, the Board of Directors of the Company at its Meeting held on 6th February 2020 had approved formation of Special Purpose Vehicle / Joint Venture Company comprising of Gujarat State Fertilizers & Chemicals Limited(GSFC), Gujarat Alkalies and Chemicals Limited(GACL), Gujarat Industries Power Company Limited(GIPCL) and Vadodara Municipal Corporation(VMC) as its joint venture partners for establishment of a new secondary treated waste water plant (STP) of 50 MLD capacity in the state of Gujarat. Accordingly, a Special Purpose Vehicle / Joint Venture Company in the name of Vadodara Jal Sanchay Private Limited(VJSPL) was incorporated on 22.07.2020 for establishment of new secondary treated waste water plant (STP) of 50 MLD at Vadodara, Gujarat. The Company (GACL) had subscribed 3,00,000 equity shares of Rs.10/- each (i.e. Rs.30 lakhs) (15%) to the Memorandum of Association (MoA) of VJSPL on 15th July 2020. VJSPL is yet to commence its business operations.

Memorandum of Understanding / Termsheet between GACL and GAIL (India) Limited

The Hon'ble Prime Minister has launched a Roadmap for 20% Ethanol Blending in Petrol by 2025, with a view to reduce import of crude oil and save valuable foreign exchange.

In response to the Hon'ble Prime Minister of India's call for 'Atmanirbhar Bharat', the Company (GACL) and GAIL (India) Limited (GAIL) have signed Memorandum of Understanding(MoU) for setting up a 500 KLD Bioethanol plant in Gujarat. The estimated project cost is to the tune of Rs.1,000 Crores and it is expected to generate annual revenue of approximately Rs.1500 Crores. A Term Sheet for the same has been executed between the Parties. A Detailed Feasibility Report (DFR) is under preparation.

Based on outcomes of the DFR and other conditions precedents, both the Parties will mutually decide to enter into a definitive agreement(s).

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has in place adequate internal financial controls commensurate with the size and nature of its business. The Company periodically reviews the internal financial controls in the light of new statutes, changes in business models, adoption of new technology solutions and suggestions for improvements received from employees. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

For all amendments to Indian Accounting Standards (Ind-AS) and the new standards notified, the Company carries out a detailed analysis and presents the impact on accounting policies, financial results including revised disclosures to the Audit Committee. The approach and changes in policies are also validated with the Statutory Auditors.

The Company has a stated process and periodicity for physical verification of its inventory and fixed assets. All variances are analysed and accounted post necessary approvals.

The Company gets its financial statements reviewed every quarter by its Statutory Auditors. The accounts of GNAL are audited and certified by their Statutory Auditors for consolidation.

None of the auditors of the Company has reported any fraud as specified under second proviso of section 143(12) of the Companies Act, 2013 including any statutory modifications or re-enactments thereof for the time being in force.

CREDIT RATING

Your Company's financial discipline and prudence are reflected in the strong credit rating described by rating agency as per the following particulars:

Instrument	Rating Agency	Rating	Date of Rating
Long Term Bank Facilities	CARE Ratings Limited (CARE)	CARE AA+ (Double A Plus)	CARE Letter No. CARE/ARO/RL/2021-22/1420 dated 30 th June, 2021.
Short Term Bank Facilities	CARE Ratings Limited (CARE)	CARE A1+ (A One Plus)	
Commercial Paper Issue aggregating to Rs.100 Crore	CARE Ratings Limited (CARE)	CARE A1+ (A One Plus)	CARE Letter No. CARE/ARO/RL/2021-22/1421 dated 30 th June, 2021.

During the year under review, CARE reaffirmed the above credit ratings and the same has been informed to the Stock Exchanges (BSE & NSE) vide letter dated 1st July, 2021 and also placed on the Company's Website at www.gacl.com.

RISK MANAGEMENT

The Company has constituted the Risk Management Committee of Directors w.e.f. 11th February, 2016. Shri Rajiv Lochan Jain had been appointed as the Chairman of the said Committee w.e.f. 28th September, 2018. As on 31st March, 2022, below are the Members of the Risk Management Committee:

1. Shri Rajiv Lochan Jain, Chairman;
2. Shri S B Dangayach;
3. Shri Nitin Shukla; and
4. Shri Harshad R Patel, IAS.

The Company has also constituted Internal Risk Management Committee comprising of Senior Executives of the Company who are heading respective departments viz. Finance, Manufacturing, Marketing, Purchase, Project, Safety, Information Technology, HR, Secretarial and Legal functions. The Managing Director is the Chairman of the Internal Risk Management Committee. The Internal Risk Management Committee reports to the Managing Director and the risks identified by the said Committee along with proposed mitigation actions are discussed periodically on quarterly basis with the Managing Director.

The Risk Management Committee of Directors was renamed as "Risk Management-cum-Safety Committee" w.e.f. 10th November, 2016 by the Board. The existing Internal Risk Management Committee of Senior Executives of the Company continues to function. Out of the various risks identified by the Internal Risk Management Committee, the Audit Committee has identified certain critical risks, which are reviewed by the Risk Management-cum-Safety Committee, the Audit Committee and by the Board of Directors periodically. A Report on the steps taken to mitigate those critical risks is also submitted to the Risk Management-cum-Safety Committee, Audit Committee and the Board of Directors.

Pursuant to provisions of Regulations 17 & 21 of SEBI Listing Regulations and Sections 134 & 177 of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the SEBI Listing Regulations and the Act, the Board of Directors of the Company have also approved and framed "Risk Management Policy" of the Company. During the year, the Company has amended its Risk Management Policy in line with amendments under SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021.

VIGIL MECHANISM / WHISTLE BLOWER MECHANISM

The Company has formulated a Vigil Mechanism-cum-Whistle Blower Policy ("Policy") as per the requirements of Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations. 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 Audit Committee. During the Financial Year 2021-22, no unethical and/or 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:

https://gacl.com/upload_files/45ef1_VIGIL_MECHANISM_CUM_WHISTLE_BLOWER_POLICY%20AS%20PER%20SEBI%20LODR.pdf

CORPORATE SOCIAL RESPONSIBILITY

As per the provision of Section 135 read with Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has constituted Corporate Social Responsibility (CSR) Committee and formulated Corporate Social Responsibility Policy (CSR Policy). The composition of CSR Committee is given in the Corporate Governance Report.

The CSR Committee has formulated and recommended to the Board, 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 23.07.2014. The Board of Directors at their Meeting held on 26.05.2015 had approved some modifications in the CSR Policy including to undertake CSR activities through GACL Education Society (GES). GES is a Society registered under the Societies Registration Act, 1860, and under the Bombay Public Trust Act, 1950 and registered under section 12A and 80G of the Income Tax Act, 1961. GES has also filed Form CSR-1 and got the required registration number from MCA in pursuance of recent amendments in the Companies (CSR) Rules, 2014. Further, the Board of Directors at their Meeting held on 09.02.2021, approved the modifications/changes in CSR Policy of the Company pursuant to the amendments made under the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the Companies (Amendment) Act, 2019 and the Companies (Amendment) Act, 2020 with effect from 22nd January 2021. Further, the Board of Directors at their Meeting held on 18.05.2021, modified the said CSR Policy, requiring contribution by the entity/institution/individuals or group, as the case may be, up to certain percentage of total CSR Project cost, in order to bring ownership and discipline to such identified CSR projects.

The details about various activities carried out by the Company under CSR through GES as well as directly by the Company are given in the Management Discussion and Analysis which forms part of Annual Report.

The CSR Policy may be accessed on the Company's Website at the weblink:

https://gacl.com/upload_files/987b0_CSR_POLICY.pdf

As per the provisions of Section 135 of the Companies Act, 2013, the statutory amount (i.e., 2% of the average net profits of the last three Financial Years) that was required to be spent by the Company for various CSR activities during the Financial Year 2021-22 was Rs. 1154.96 Lakhs. The Company has spent Rs. 552.00 Lakhs towards various CSR



activities during the Financial Year 2021-22. The unspent amount of Rs. 602.96 Lakhs was towards various ongoing CSR projects. The Company has transferred Rs. 603.00 Lakhs to special account viz., "GACL Unspent Corporate Social Responsibility Account 2021-22" within 30 days from the close of Financial Year 2021-22. The unspent amount of Rs. 603.00 lakhs transferred to such account will be utilized for the ongoing projects in next three Financial Years i.e., FY 2022-23 to FY 2024-25. The Company shall transfer unspent amount, if any, lying in this account at the end of third Financial Year to Fund(s) specified in Schedule VII, within statutory time limit, in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendments thereunder.

The Annual Report on CSR activities for the Financial Year 2021-22 is annexed herewith as **Annexure-2**.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Appointment / Reappointment / Cessation of Directors & Key Managerial Personnel

The Board of Directors of the Company at its Meeting held on 23.09.2021 noted resignation of Shri Anil Mukim, IAS (Retd.) with effect from 3rd September, 2021 consequent upon his superannuation as Chief Secretary to Government of Gujarat. The Board of Directors at its Meeting held on 03.11.2021 noted resignation of Shri Pankaj Joshi, IAS as Director of the Company with effect from 02.11.2021 consequent upon his transfer from Finance Department, Government of Gujarat to Hon. Chief Minister's Office. The Board of Directors noted resignation of Shri Tapan Ray, IAS (Retd.), Independent Director of the Company with effect from 31.12.2021 due to preoccupations. The Board of Directors at its Meeting held on 08.02.2022 noted resignation of Shri Milind Torawane, IAS as Managing Director of the Company w.e.f. 06.02.2022 pursuant to the Notification No.: AIS/35.2022/05/G dated 03.02.2022 received from General Administration Department, Government of Gujarat relieving additional charge of Shri Milind Torawane, IAS, as Managing Director of the Company. During the year, the Board of Directors at its Meeting held on 24.03.2022 noted resignation of Smt. Vasuben Trivedi as an Independent Director from the Board of Directors of the Company w.e.f. 14.02.2022 due to preoccupations.

The Board places on record its sincere appreciations and pays rich tributes for the valuable services rendered and contributions made by Shri Anil Mukim, IAS (Retd.), Shri Pankaj Joshi, IAS, Shri Tapan Ray, IAS (Retd.), Shri Milind Torawane, IAS and Smt. Vasuben Trivedi to the Company during their respective tenures as Chairman and Directors of the Company.

As recommended by the Nomination-cum-Remuneration Committee and pursuant to Articles 7 and 11 of the Articles of Association of the Company, the Board of Directors appointed Shri Pankaj Kumar, IAS, Chief Secretary to Government of Gujarat (GoG) as

Chairman and Director on the Board of Directors of the Company vice Shri Anil Mukim, IAS, (Retd.) with effect from i.e., 7th September, 2021 vide Government of Gujarat's Resolution No. MIS/11-2016/1765/E dated 7th September, 2021.

The Board of Directors of the Company as recommended by Nomination-cum-Remuneration Committee, approved the appointment of Shri J.P. Gupta, IAS as Director of the Company w.e.f. 15.12.2021 subject to the approval of shareholders of the Company. Further, the Board of Directors of the Company at its Meeting held on 08.02.2022, as recommended by Nomination-cum-Remuneration Committee, had appointed Shri Harshad R Patel, IAS as a Non-Rotational Government Director and Managing Director of the Company w.e.f. 07.02.2022 (i.e., the date on which he took over the charge), until further orders, subject to the approval of shareholders of the Company. Further, during the year, the Board of Directors at its Meeting held on 24.03.2022, as recommended by Nomination-cum-Remuneration Committee, appointed Shri Nitin Shukla as an Independent Director of the Company w.e.f. 24.03.2022 not liable to retire by rotation, for a term of five consecutive years i.e., upto 23.03.2027, subject to approval of shareholders of the Company.

The Company sought approval for following items of special business: (i) appointment of Shri J.P. Gupta, IAS as Director; (ii) appointment and approval of remuneration and perquisites payable to Shri Harshad R Patel, IAS as a Managing Director and; (iii) appointment of Shri Nitin Shukla as an Independent Director of the Company by means of electronic voting (remote e-voting) as mentioned in Postal Ballot Notice dated 24.03.2022. All the Resolutions contained in Postal Ballot Notice dated 24.03.2022 were approved by requisite majority of Members through remote e-voting. Accordingly, all the Resolutions were declared to be passed on 03.05.2022.

The Board of Directors of the Company, on recommendation of Nomination-cum-Remuneration Committee, appointed Smt. Shridevi Shukla as an Independent Director of the Company w.e.f. 12.05.2022, subject to the approval of shareholders of the Company.

The Government of Gujarat in exercise of the powers vested in it under the Articles 11 and 14-A of the Articles of Association of the Company has vide its Notification No. AIS/42-2011/858932/G dated 27th May, 2022 communicated to the Company that Shri Milind Torawane, IAS (DIN : 03632394) would hold additional charge of the post of Managing Director of the Company, w.e.f. 28th May, 2022 i.e. the date on which he took over the charge as the Managing Director of the Company upto 23rd June, 2022, or until any further orders ("Interim Period"), in absence of Shri Harshad R Patel, IAS (DIN : 08101424), the Managing Director of the Company, being on sanctioned leaves.

Thus, he was nominated as Government Director on the Board of the Company for the Interim Period. On completion of the said Interim Period, Shri Milind Torawane, IAS handed over the Additional Charge of Managing Director of the Company to Shri Harshad R Patel, IAS who resumed the powers of the Managing Director of the Company. The Office of Shri Harshad R Patel, IAS as Managing Director of the Company continued as Managing Director of the Company during the said Interim Period. As recommended by the Nomination-cum-Remuneration Committee at its Meeting held on 6th June, 2022, the Board of Directors of the Company at its Meeting held on 6th June, 2022, has noted, approved and confirmed the appointment of Shri Milind Torawane, IAS as Managing Director of the Company on such remuneration, perquisites, terms and conditions as may be conveyed by the Government of Gujarat for the Interim Period, subject to the approval of Shareholders of the Company.

In terms of the SEBI Listing Regulations, effective from January 1, 2022, the listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three (3) months from the date of appointment, whichever is earlier and that the appointment of an Independent Director shall be subject to the approval of Members by way of a special resolution. As the period of three months would conclude before AGM, the Company sought approval of Shareholders for: (i) appointment of Smt. Shridevi Shukla as an Independent Director of the Company; (ii) To approve transactions with Related Parties; (iii) Appointment of Shri Milind Torawane, IAS as Managing Director of the Company for Interim Period, through Postal Ballot Notice dated 6th June, 2022 by means of electronic voting (remote e-voting). The said Resolutions contained in Postal Ballot Notice dated 6th June, 2022 were approved by requisite majority of Members through remote e-voting. Accordingly, all the Resolutions were declared to be passed on 30.07.2022.

The Board of Directors of the Company at its Meeting held on 04.08.2022, pursuant to the Notification No. AIS/35.2022/24/G dated 26th July, 2022 of General Administration Department, Government of Gujarat and as recommended by Nomination-cum-Remuneration Committee at its meeting held on 03.08.2022, had appointed Shri Swaroop P. IAS (DIN: 08103838) as a Non-Rotational Government Director and Managing Director of the Company w.e.f. 29.07.2022 (i.e., the date on which he took over the charge), until further orders, subject to the approval of Shareholders at this Annual General Meeting. Your Directors recommend appointment of Shri Swaroop P. IAS as a Non Rotational Government Director and Managing Director of the Company w.e.f. 29.07.2022, pursuant to the provisions of the Companies Act, 2013 for your approval.

The Board of Directors at its Meeting held on 04.08.2022 noted resignation of Shri Harshad R. Patel, IAS as Managing Director of the Company w.e.f. 28.07.2022 pursuant to the Notification No. AIS/35.2022/24/G dated 26th July, 2022 received from General Administration Department, Government of Gujarat.

The Board places on record its sincere appreciations for the valuable services rendered by Shri Harshad R. Patel, IAS to the Company during his tenure as Managing Director of the Company.

Shri M.K. Das, IAS (DIN 06530792), will retire by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment. Your Directors recommend his re-appointment as Director for your approval.

Brief profile of Shri M. K. Das, IAS and Shri Swaroop P. IAS forms part of the Notice of this Annual General Meeting.

Pursuant to provisions of Section 203 of the Companies Act, 2013, Shri Swaroop P. IAS on his appointment as Managing Director was also appointed as Key Managerial Personnel of the Company effective from 29.07.2022. Shri Vinayak Kudtarkar, Chief Financial Officer and Shri Sanjay S Bhatt, Company Secretary, are the Key Managerial Personnel of the Company effective from 1st June, 2019 and 14th May, 2014 respectively.

B. Independent Directors

Attributes, Qualifications & Independence of Directors and their Appointment

The Nomination-cum-Remuneration Committee adopted the criteria for determining qualifications, positive attributes and independence of Directors, including Independent Directors, pursuant to the Act and the Rules made thereunder and the SEBI Listing Regulations. The brief particulars of the Directors are provided in the 'Report on Corporate Governance' forming part of this Annual Report.

The Company has received declarations from the Independent Directors confirming that (a) they meet the criteria of Independence as prescribed under Section 149 of the Act and Regulation 16 of the SEBI Listing Regulations; (b) they are not aware of any circumstance or situation, which could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence; and (c) they have registered/renewed their names in the Independent Directors' Databank, pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder. Further, in the opinion of the Board, the Independent Directors fulfill the conditions prescribed under the SEBI Listing Regulations and are independent of the management of the Company.



C. Board Evaluation

Pursuant to applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Board carried out an annual performance evaluation of the Board, its Committees, Individual Directors, Managing Director and Chairperson. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report

D. Nomination and Remuneration Policy

The Board has on the recommendation of the Nomination-cum-Remuneration Committee, formulated a Nomination & Remuneration-cum-Board Diversity Policy for selection, appointment of Directors and Senior Management and their remuneration.

Information about the Policy is provided in the Corporate Governance Report and the said Policy may be accessed on the Company's Website at the weblink: https://gacl.com/upload_files/482cd_GACL%20NRC%20POLICY.pdf

E. Meetings

During the year, six (06) Board Meetings and four (04) Audit Committee Meetings were held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings held was within the period prescribed under the Companies Act, 2013 and SEBI Listing Regulations. Further, the composition and terms of reference of Audit Committee and other Committees are given in the Corporate Governance Report.

During the year under review, all recommendations of Audit Committee were accepted by the Board.

AUDITORS

A. Internal Auditors

As per the recommendation of the Audit Committee, the Board of Directors of the Company at its Meeting held on 18th June, 2020 appointed M/s. Parikh Mehta & Associates, Chartered Accountants, Vadodara as Internal Auditors for conducting Internal Audit of the Company for the period from 1st July, 2020 to 30th June, 2025.

The Internal Auditors independently evaluate the internal controls, adherence to and compliance with the procedures, guidelines and statutory requirements. The Audit Committee of Directors periodically reviews the reports of the Internal Auditors and the corrective actions if any, are taken by the Management.

B. Statutory Auditors

M/s. K C Mehta & Co, Chartered Accountants, Vadodara (Firm Regn No. 106237W) were appointed as the Statutory Auditors of the Company for a period of five years i.e. from the conclusion of 46th Annual General Meeting till the conclusion of 51st Annual General Meeting.

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

C. Cost Auditors

The Board of Directors of the Company at its Meeting held on 4th August, 2022 has approved the appointment of M/s. Y. S Thakar & Co., Cost Accountant in practice, Vadodara (Firm Registration No. 000318) as Cost Auditors for the Financial Year 2022-23 as per the provisions of the Companies Act, 2013, subject to the approval of shareholders of the Company, to conduct the audit of Cost Records maintained by the Company at a remuneration of Rs. 3,19,000/- plus applicable GST.

As per the provisions of the Companies Act, 2013, your Directors propose the Resolution in the Notice in respect of remuneration payable to the Cost Auditors for the Financial Year 2022-23 for your ratification and approval.

The Company maintains necessary cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014

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 Board of Directors have appointed M/s. Samdani Shah & Kabra, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year 2021-22. The Report of the Secretarial Auditors is annexed herewith as **Annexure - 3**. The Report does not contain any qualification, reservation or adverse remark or disclaimer.

The Company has complied with Regulation 24A of the Listing Regulations. GNAL has got Secretarial Audit carried out by Practicing Company Secretary. Copy of Secretarial Audit Report of GNAL is annexed at **Annexure-4** and is also available on the website of the Company. The Secretarial Audit Report of GNAL does not contain any qualification, reservation, adverse remark or disclaimer.

As per SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24A of the Listing Regulations, Annual Secretarial Compliance Report for the year ended on 31st March, 2022 given by M/s. Samdani Shah & Kabra, Practicing Company Secretaries, Secretarial Auditors was submitted to Stock Exchanges (BSE & NSE) within prescribed time limit

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Transfer of Dividend and corresponding Equity Shares to the Investor Education and Protection Fund

During the Financial Year 2021-22, unclaimed dividend for the Financial Year 2013-14 aggregating Rs.16,32,752/- had been transferred to Investor Education and Protection Fund (IEPF).

The Company has also transferred Rs.18,73,466/- (Net of Tax) to the bank account of the IEPF towards dividend declared by the Company for the Financial Year 2020-21, for such shares which were transferred to the IEPF earlier.

During the Financial Year 2021-22, the Company has also transferred 20,337 Equity Shares to the IEPF in respect of which dividends remained unclaimed for seven consecutive years, pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended.

Shareholders may claim their unclaimed dividend for the years prior to and including the Financial Year 2013-14 and the corresponding shares, if any, from the IEPF Authority by applying in the prescribed Form No. IEPF-5.

This form can be downloaded from the Website of the IEPF Authority at www.iepf.gov.in the access link of which is also available on the Company's Website at www.gacl.com under the section 'Investors'.

Attention of the Members is drawn that the unclaimed dividend for the Financial Year 2014-15 and the corresponding shares will be due for transfer to the IEPF on 19th October, 2022 for which purpose communication has been sent to all the concerned Shareholders advising them to claim their dividends, failing which the said shares will be transferred to IEPF Authority within 30 days from the said due date. Notices in this regard have also been published in newspapers. Details of such shares are available on the Company's Website under the section 'Investors'.

Details of Nodal Officer

In accordance with Rule 7(2A) of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the details of Nodal Officer of the Company, for the purpose of coordination with Investor Education and Protection Fund Authority are as under:

Name:	Shri Sanjay S Bhatt
Designation:	Company Secretary & CGM (Legal, CC & CSR)
Postal Address:	PO : Ranoli : 391 350, Dist.: Vadodara (Gujarat)
Telephone No.:	0265-6111453 / 0265-6111000
Mobile No.:	7069053850
E-mail ID:	cosec@gacl.co.in

The Company has also displayed the above details of Nodal Officer at its Website at www.gacl.com

CORPORATE GOVERNANCE

The Company has been following the principles and practices of good Corporate Governance and has ensured compliance of all the requirements stipulated under the SEBI Listing Regulations.

A detailed report on Corporate Governance for the year under review along with Certificate issued by Practicing Company Secretary in terms of provisions of the SEBI Listing Regulations is attached herewith forming part of this Annual Report

BUSINESS RESPONSIBILITY REPORT

As per the provisions of the SEBI Listing Regulations, the Business Responsibility Report (BRR) containing initiatives taken by the Company from environmental, social and governance perspective is annexed herewith as **Annexure - 5** as part of this Annual Report.

PARTICULARS OF EMPLOYEES

The information pertaining to remuneration and other details of employees as required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are provided in the **Annexure - 6**. Further, there was no employee holding 2% or more of the Equity Shares of the Company during the Financial Year 2021-22.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Audit Committee of Directors at its Meeting held on 8th February, 2021 has accorded omnibus approval to execute transactions with related parties up to the value of Rs.1 Crore. During the Financial Year, the transactions entered into by the Company with Related Parties were in the ordinary course of business at arm's length price and/or within the omnibus approval granted by the Audit Committee. The Company has not entered into contracts / arrangements / transactions with Related Parties which could be considered material in accordance with Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and the Policy of the Company on Related Party Transactions.

Since, all the contracts / arrangements / transactions with Related Parties during the year were in the ordinary course of business and/or the same were at arm's length as well as under the special omnibus approval route 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.

In lines with amendments in the Listing Regulations, the Policy on Related Party Transactions and Material Subsidiaries Policy was amended and approved by the Board of Directors during the Financial Year. The said



Policies may be accessed on the Company's Website at the weblinks:

https://gacl.com/upload_files/37a3e_Related%20Party%20Transaction.pdf
and https://gacl.com/upload_files/25c45_policy_on_material_subsidiaries.pdf

Your Directors draw attention of the Members to Note No. 38 to the Financial Statements which sets out Related Party disclosures.

LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Note No. 5,6,7,17 & 43(i)(g) of the Notes to the Financial Statements.

INSURANCE

The Company has taken adequate insurance for all its properties. The Company has also taken necessary insurance cover as required under the Public Liability Insurance Act, 1991.

The Company has D & O Liability Insurance Policy which is reviewed in terms of the quantum and risk coverage as per the Regulation 25(10) of the SEBI Listing Regulations

LISTING REGULATIONS COMPLIANCE

Your Company's Equity Shares are listed on BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) and their listing fees for the Financial Years 2021-22 and 2022-23 have been paid and the provisions of the SEBI Listing Regulations have been complied with.

ANNUAL RETURN

The Draft Annual Return of the Company as on March 31, 2022 is available on the Company's Website and can be accessed at weblink :

https://gacl.com/upload_files/14ce8_DRAFT%20GACL_FY-2021-22-Form_MGT_7.pdf

The Annual Return of 2020-21 in prescribed Form No. MGT-7, as required under Section 92(1) of the Companies Act, 2013 read with Rule 11 of the Companies (Management and Administration) Rules, 2014 is placed on the Company's Website at

Weblink : https://gacl.com/upload_files/96dd0_MGT-7_2020-21.pdf

The same was filed with the Registrar of Companies, Gujarat (ROC) on Ministry of Corporate Affairs (MCA) portal within prescribed time limit.

DIVIDEND DISTRIBUTION POLICY

The Board of Directors of the Company at its Meeting held on 26th May, 2017 has adopted "Dividend Distribution Policy" effective from 26th May, 2017, which is available on the Company's Website at the link

https://www.gacl.com/upload_files/a7fec_Dividend_Distribution_Policy.pdf.

The dividend recommended by the Board for the year ended 31st March, 2022 is in accordance with the said Dividend Distribution Policy.

GENERAL INFORMATION

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. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under ESOP.
4. Issue of shares, Issue of debentures, warrants, bonds, other convertible securities or any non-convertible securities.
5. 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.
6. No fraud has been reported by the Auditors to the Audit Committee or the Board.
7. There has been no change in the nature of business of the Company.
8. There was no instance of one-time settlement with any Bank or Financial Institution.

Your Directors further state that your Company has constituted a Committee for prevention of Sexual Harassment of Women at Work place named as "Internal Complaint Committee-cum-Gender Equality Committee" under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (hereinafter referred as "the said Act") to enquire into complaints and recommend appropriate action, wherever required. During the year under review, the Committee had not received any complaint of sexual harassment.

The status on the application disposed off under the Insolvency and Bankruptcy Code 2016 is given under the Management Discussion and Analysis Section, forming part of this Report.

SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2022, the applicable accounting standards have been followed;
- b) the Directors had selected such accounting policies

and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the profit of the Company for the year ended on that date;

- c) the Directors had 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 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.

MANAGEMENT DISCUSSION AND ANALYSIS

A report on Management Discussion and Analysis forms part of the Board's Report and it deals inter-alia with the Business, Operations & Financial Performance, Research &

Development, Expansion & Diversification, Risk Management, Outlook, Safety & Environment, Corporate Social Responsibility, Material Development in Human Resources etc. as stipulated under the SEBI Listing Regulations.

ACKNOWLEDGEMENTS

The Board expresses its gratitude and appreciation to the Government of India, Government of Gujarat, Financial Institutions, Insurance Companies, Banks, other business associates, Promoters, Shareholders and employees of the Company for their continued support. The Directors also gratefully acknowledge all stakeholders of the Company viz.: customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year.

The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitments and continued contribution to the Company.

For and on behalf of the Board

**Sd/-
(PANKAJ KUMAR, IAS)
CHAIRMAN**

Place : Gandhinagar

Date : 4th August, 2022



ANNEXURE – 1 to Board's Report

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014:

A. CONSERVATION OF ENERGY:

(i) Steps taken or impact on conservation of energy:

At Vadodara Complex

1. Remembraning of 548 Nos. 5B+ Gen. elements.
2. Revamping of CCU I plant.
3. Installation of VFDs in CCU cooling water pumps.
4. Replacement of gland with mechanical seal for HCL cooling water pumps.
5. Trimming of KCL polished brine pump impeller.
6. Coating of impeller and casing of cooling water pumps.
7. Replacement of CCU III vacuum pump with lower rating.
8. Installation of new capacitor bank to improve power factor.

At Dahej Complex

1. Installment of 0.732 MW of Floating Solar Panel and 0.268 MW of Rooftop Solar Panel at Dahej Complex.
2. Replacement of Vapor Absorption Machines (VAM) with Energy Efficient Vapor Compression Machines (VCM) in Hydrogen Peroxide and Sodium Chlorate Plant.
3. Remembraning in Caustic Soda Lye Cell House.
4. Replacement of an existing Air Compressor with new Energy Efficient One.
5. HPMV fittings have been replaced with LED light fittings at various locations - process plants, administrative building & colony at Dahej Complex.
6. Installation of Common Steam Distribution Header for proper monitoring and minimizing the production loss.
7. Establishment of new 5600 M3/Hr Cooling Tower at CCU Dahej with 4 Nos new energy efficient pumps.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

The Company has already installed various Wind Mills having total Wind Power capacity of 171.45 MW. In addition, the Company had also installed 35 MW Solar Power Plant to meet the Solar Renewable Purchase Obligations. The Company has also installed floating solar power plant having capacity of 0.732 MW at the Dahej Plant.

(iii) The Capital Investment on Energy Conservation equipments:

The Company has invested Rs. 1395.55 Lakhs as capital investment on Energy conservation equipment

and during the financial year 2021-2022, saving of Rs.356.55 Lakhs have been achieved at Vadodara complex.

The Company has invested Rs.1566.39 Lakhs as capital investment on Energy conservation equipment and during the financial year 2021-2022, saving of Rs.775.97 Lakhs have been achieved at Dahej complex.

Further savings would be achieved during current and subsequent financial years.

B. TECHNOLOGY ABSORPTION

(i) Major efforts made towards technology absorption

For the production of Caustic Soda in electrolysis process, the Company uses electrolyzer elements (anodes and cathodes) imported from ThyssenKrupp, Germany. In an effort to modernize the electrolysis operation, the Company has taken up activities for the replacement of old generation electrolyzer elements (Generation I & II) with the latest new generation VB+ elements both at Vadodara and Dahej Complexes. The Company has installed 1615 new energy efficient VB+ elements at Vadodara Complex and 1180 such elements at Dahej Complex and the same were successfully commissioned in September 2020.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitute.

The R&D efforts to keep a business competitive by providing insights into the market and developing new products / services. R&D aims to improvise existing process accordingly and it resulted into the appreciable savings to the areas like, process development for refabrication of spent catalyst & new catalyst development as well as effluent treatment for Hydrogen Peroxide Plant, new import substitute for metal removal agent & raw material source for Phosphoric acid, new import substitute of UV light source for chloromethanes, Cost reduction by using captive consumption of in-house developed cooling water treatment formulations, cleaning formulations, defoamer, waste minimization and technical support to existing new coming projects and support to other departments.

(iii) Information regarding imported technology (imported during last three years)

Details of Technology imported	Technology Imported from	Year of Import	Status
Phosphoric Acid Plant at Dahej	M/s Tenova Advanced Technology, Israel.	September 2016	Expected to be commissioned by February 2023.
Chloromethanes Plant at Dahej	M/s Shin Etsu Chemical Company Ltd., Japan.	October 2017	Expected to be commissioned by August 2022.
Caustic Soda Expansion at Dahej	M/s Thyssenkrupp AG, Germany.	September 2019	Expected to be commissioned by August 2022.

(iv) Expenditure incurred on Research & Development

Sr. No.	Particulars	Amount (Rs. in Lakhs)
a)	Capital	7.12
b)	Revenue	486.34
	Total (a+b)	493.46

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Activities relating to export, initiatives to increase exports, Development of New export markets for Products and Services and Export Plan.

The Company has continued to maintain focus and avail of export opportunities based on market conditions. During the year under review, the Company has exported goods worth Rs.49,715.07 Lakhs (FOB Value).

2. Total Foreign Exchange Earned and Used during the Financial Year 2021-22

(Rs. in Lakhs)

Foreign Exchange earned in terms of Actual Inflow	Rs.49,715.07
Foreign Exchange outgo in terms of Actual Outflows	Rs.44,543.60

**ANNEXURE – 2 to Board’s Report****ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2021-22****1. A brief outline on CSR Policy of the Company:**

GACL has always been, as a conscious corporate citizen, serving the community around its business locations ever since its origin and even much before the concept of CSR took legal frame-work through Companies Act, 2013. GACL initiated various community developmental activities in a systematic way.

The CSR Policy of GACL was formed with a noble objective to ensure an increased commitment at all levels in the organization towards CSR, to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders. GACL has aligned with the vision of the Company, through its CSR initiatives enhanced value creation in the society and in the community in which it operates. The CSR Policy, pursuant to Section 135 of the Companies Act, 2013 read with Schedule VII to the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, directs the Company, inter-alia, towards conducting

CSR initiatives in the core focus areas of promoting education, including special education, enhancing vocational skills especially among differently abled children, promoting health care including preventive health care and sanitation, generating livelihoods for people in rural areas, promoting and preserving traditional art, culture and heritage and conserving water and ensuring environmental sustainability. The CSR Policy of the Company may be accessed on the Company’s Website at the Weblink :

https://www.gacl.com/upload_files/987b0_CSR_POLICY.pdf.

GACL Education Society (GES) is our CSR arm, through which various CSR initiatives of the Company are implemented. The Company also implements CSR projects directly in line with its CSR Policy.

Detailed projects/programs can be accessed on GES Website <https://gacleducationsociety.org>

2. Composition of CSR Committee :

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1	Shri Anil Mukim, IAS (Upto 03.09.2021)	Chairman (Non-Independent Non-Executive Chairman)	04	NIL
2	Shri Pankaj Kumar, IAS (From 23.09.2021)	Chairman (Non-Independent Non-Executive Chairman)	04	NIL
3	Shri Pankaj Joshi, IAS (Upto 02.11.2021)	Member (Non-Independent Non-Executive Director)	04	01
4	Shri M K Das, IAS	Member (Non-Independent Non-Executive Director)	04	02
5	Shri J P Gupta, IAS (from 15.12.2021)	Member (Non-Independent Non-Executive Director)	04	NIL
6	Smt. Vasuben Trivedi (Upto 14.02.2022)	Member (Independent Non-Executive Director)	04	03
7	Shri S B Dangayach	Member (Independent Non-Executive Director)	04	04
8	Shri Milind Torawane, IAS (Upto 06.02.2022)	Managing Director (Executive and Non-Independent Director)	04	03
9	Shri Harshad R Patel, IAS (from 07.02.2022)	Managing Director (Executive and Non-Independent Director)	04	01

3. Provide the Web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the Website of the Company.

Web-link where composition of CSR Committee on Company's website is available on

https://gacl.com/upload_files/6bdea_Committee%20List%202004_08_2022.pdf

CSR Policy: https://gacl.com/upload_files/987b0_CSR_POLICY.pdf

CSR projects approved by the Board:

https://gacl.com/upload_files/f19e7_CSR_BOARD_APPROVED_PROJECTS_2022-23.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

The Company has been conducting impact assessment of its CSR Projects internally or through an independent agency from time to time. In pursuance of Section 135(5) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, every Company having average CSR obligation of ten crore rupees or more, in the three immediately preceding financial years, should undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

During the Financial Year 2021-22, average CSR obligations of the Company for preceding three Financial Years (i.e. FYs 2018-19, 2019-20 and 2020-21) were more than Rs.10 Crore and the total Project outlay of one of the Component of "HARSH Project" was more than Rs.1 crore. As "HARSH Project" was completed during the Financial Year 2021-22, the Company shall initiate impact assessment through an independent agency in Financial Year 2022-23 as per the prescribed statutory time limit.

5. Details of the amount available for set off in pursuance of Sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any:

Sr. No.	Financial Year	Amount available for set-off from preceding Financial Years (Rs. in lakhs)	Amount required to be set-off for the Financial Year, if any (Rs. in lakhs)
1	2020-21	26.07	Nil
2	2019-20	27.19*	Nil
3	2018-19	174.57*	Nil
	TOTAL	227.83	Nil

*The Company has spent in excess of the mandatory requirement under the Companies Act, 2013 but the same is not proposed to be set-off.

6. Average Net Profit of the Company as per Section 135(5): Rs.57,747.77 Lakhs
7. (a) Two percent of average Net Profit of the Company as per Section 135(5): Rs.1,154.96 Lakhs
- (b) Surplus arising out of the CSR Projects or Programmes or activities of the previous Financial Years: Nil
- (c) Amount required to be set off for the Financial Year, if any: Nil
- (d) Total CSR obligation for the Financial Year (7a+7b-7c) : Rs.1,154.96 Lakhs
- 8 (a) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
5,52,00,000/-	6,03,00,000/-	27/04/2022		NIL	

(b) Details of CSR amount spent against ongoing projects for the Financial Year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	2	3	4	5	6	7	8	9	10	11		
A. Education, Special Children Interventions												
1	Creating and matching rural infrastructure gaps including construction & refurbishments of Anganwadis, Community Hall, Housing, HighMast Towers etc. and other rural infrastructure development activities to improve quality of life	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Bharuch	1 Year	40,00,000	7,17,639	32,82,361	No	GACL Education Society	CSR000001759
2	Smart Classroom projects to make learning interesting and promote digital education and other education projects	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Vadodara and Bharuch	1 Year	65,07,914	0	65,07,914	No	GACL Education Society	CSR000001759
3	Ceramics Embossed Education Chart, NPSS Vadodara	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Vadodara	1 Year	26,31,360	0	26,31,360	No	GACL Education Society	CSR000001759
4	MDM Shed & other promotion of education related initiatives	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Vadodara and Bharuch	1 Year	31,80,665	0	31,80,665	No	GACL Education Society	CSR000001759

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	5	3	4	5	6	7	8	9	10	11		
	Management of in-house school at HMDC & operations and management of HMDC	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Vadodara	5 Years MoU with Govt of Gujarat	22,74,332	3,13,668	No	GACL Education Society	CSR00001759	
B. Healthcare, Nutrition and Sanitation Interventions												
1	Support Infrastructure development in Healthcare/Sanitation. Support in infrastructure gap filling in PHC, CHC, General Hospitals and Other Hospitals. Also support in Government Institutions. Support to the beneficiaries of lower socio-economic group. Support to Smt. Jayaben Mody Hospital	Cl.(i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	Yes	Gujarat	Vadodara and Bharuch	1 Year	1,09,71,145	0	No	GACL Education Society	CSR00001759	
2	Nutrition Garden/ MandwaWadi project	Cl.(i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	Yes	Gujarat	Dahod	1 Year	16,00,000	0	No	GACL Education Society	CSR00001759	
3	Construction of Drainage line at Ranoli	Cl.(i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	Yes	Gujarat	Vadodara	3 Years	57,85,875	0	No	GACL Education Society	CSR00001759	

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	2	3	4	5	6	7	8	9	10	11		
4	Nutrition related projects for eradicating malnutrition- Nutrition Vegetable Garden Project	Cl.(i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	Yes	Gujarat	Narmada	1 Year	18,09,884	30,95,007	No	JIVAN TIRTH	CSR00001798	
5	Nutrition related projects for eradicating malnutrition- TB Kits Distribution Project	Cl.(i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	Yes	Gujarat	Vadodara	1 Year	7,24,810		No	GACL Education Society	CSR00001759	
6	Nutrition related projects for eradicating malnutrition - Nodhara No Adhar Project	Cl.(i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	Yes	Gujarat	Narmada	1 year	2,35,799		No	GACL Education Society	CSR00001759	
7	Construction of Girls toilet in Paniyadra village and other locations	Cl.(i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	Yes	Gujarat	Bharuch	1 Year	5,19,537	463	No	GACL Education Society	CSR00001759	
C. Promotion of Art culture and Heritage												
1	Vadodara Support activities/ projects/ events related to Promotion & Protection of art, culture and heritage.	Cl. (v) Protection of National heritage, art and culture including restoration of building and sites of historical importance and works of art.	Yes	Gujarat	Vadodara	3 Year	61,27,945	60,00,000	No	GACL Education Society	CSR00001759	

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	2	3	4	5	6	7	8	9	10	11		
D. Support to Local Areas/ Government Authorities												
1	Financial Assistance for Medicinal Plants Cultivation project for sustainable livelihood at Sagbara, Narmada	Cl. (vii) employment enhancing vocational skills.	Yes	Gujarat	Narmada	1 Year	29,62,000	14,11,000	15,51,000	No	Late Pochabhai Foundation	CSR00000649
2	Pond Deepening/ Pond Beautification, Tree Plantation and any other water conservation/ rain water harvesting/ Green School/ environment related activities.	Cl. (xii) Disaster Management including relief, rehabilitation and reconstruction activities	Yes	Gujarat	Bharuch and Vadodara	1 Year	20,00,000	0	20,00,000	No	GACL Education Society	CSR00001759
3	Rain Water Harvesting/ Natural Resources Conservation/ Tree Plantation and Drinking Water Projects at various locations	Cl. (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	Yes	Gujarat	Bharuch and Vadodara	1 Year	1,15,00,000	37,44,600	77,55,400	No	GACL Education Society	CSR00001759
4	Tree Plantation	Cl. (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	Yes	Gujarat	Bharuch and Vadodara	3 Year	7,00,000	1,76,000	2,78,821	No	VSSM	CSR00001129
5	Other Human Development Index projects	Cl. (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	Yes	Gujarat	Vadodara	1 Year	36,84,115	8,41,794	28,42,321	No	GACL Education Society	CSR00001759

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	2	3	4	5	6	7	8	9	10	11		
6	Construction of Police Station (Chowky) at Dahej and other rural infrastructure Development work	Cl.(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	Yes	Gujarat	Bharuch	1 Year	25,00,000	0	25,00,000	No	GACL Education Society	CSR00001759
Total							7,31,24,519	1,28,28,519	6,02,96,000			

(C) Details of CSR amount spent against other than ongoing projects for the Financial Year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the project (in Rs.).	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	2	3	4	5	6	7	8		
1	Provision of providing gap teachers in DIET, Rahiyad, Suva & Gandhar of Bharuch District	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Bharuch	6,51,300	No	GACL Education Society	CSR00001759
2	Installation of Solar rooftop in Bharuch schools	Cl.(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	Yes	Gujarat	Bharuch	4,51,199	No	GACL Education Society	CSR00001759
3	GSFC University - Development of Science Lab	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Vadodara	16,50,000	No	GSFC University	CSR00002765
4	Bio-Shield Tree plantation Project	Cl.(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	Yes	Gujarat	Bharuch	11,97,359	No	Vikas Centre for Development	CSR00000067
5	Sanitation maintenance support programme (Tricycle support to Gandhar village, Ta. Vagra Dist. Bharuch)	Cl.(i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	Yes	Gujarat	Bharuch	2,56,500	No	GACL Education Society	CSR00001759
6	Toilet Construction	Cl.(i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	Yes	Gujarat	Bharuch	5,38,600	No	GACL Education Society	CSR00001759
7	COVID- 19 preventive and supportive activities. Support for Oxygen plants in Gujarat State Govt. Hospitals.	Cl. (xii) Disaster Management including relief, rehabilitation and reconstruction activities	Yes	Gujarat	Gujarat	1,97,42,720	No	GCSRA	CSR00002979
8	COVID- 19 preventive and supportive activities. Awareness on COVID-19	Cl. (xii) Disaster Management including relief, rehabilitation and reconstruction activities	Yes	Gujarat	Bharuch	308,448	No	GACL Education Society	CSR00001759
9	Support to AkshayPatra Foundation for MDM vehicles at Vadodara	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Vadodara	57,82,000	No	AkshayPatra Foundation	CSR00000286
10	Installation of Solar Operated Pumps in little rann of Kutch	Cl.(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	Yes	Gujarat	Surendranagar	53,22,000	No	Vikas Centre for Development	CSR00000067
11	Financial Support for development of Resource room at BRC Bhavan, Varahi, Santalpur	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Patan	1,99,303	No	GACL Education Society	CSR00001759

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	2	3	4	5	6	7	8		
12	Membership Fees-Community Science Center, Vadodara	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Bharuch	20,000	No	GACL Education Society	CSR00001759
13	Support for Higher Education	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Suren- dranagar	1,08,000	No	Janpath	CSR00000177
14	Financial Support to Tapovan Foundation for Vatsalyadharm -Old age home at Jamnagar	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Jamnagar	10,00,000	No	Tapovan Foundation	CSR000009339
15	Financial Assistance for Fencing work at Police Station, Jawaharnagar, Vadodara	Cl.(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	Yes	Gujarat	Vadodara	1,28,635	No	GACL Education Society	CSR00001759
16	Financial Assistance for Software to Police Station, Vadodara	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Vadodara	80,000	No	GACL Education Society	CSR00001759
17	Development of Greenery under the newly constructed bridge at Bharuch	Cl.(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	Yes	Gujarat	Bharuch	5,00,000	No	Rotary Welfare Trust	CSR000004051
18	Installation of Bio Gas Plant at Kollyad village Ta. Vagra, Dist. Bharuch	Cl.(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	Yes	Gujarat	Bharuch	2,70,000	No	GACL Education Society	CSR00001759
19	Financial support for fans tree plantation at police station, Vadodara	Cl.(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	Yes	Gujarat	Vadodara	10,195	No	GACL Education Society	CSR00001759
20	Financial Assistance for 5 prosthetic legs in Bharuch	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Bharuch	1,50,000	No	Masi Mai Foundation	CSR00017924
21	Donating books under wings of knowledge campaign at Kumar school Zadeshwar, Bharuch	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Bharuch	10,308	No	GACL Education Society	CSR00001759
22	Floor Repairing work of classroom at Bhensali Primary school, Ta. Vagra, Dist. Bharuch	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Bharuch	4,20,360	No	GACL Education Society	CSR00001759

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the project (in Rs.)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	2	3	4	5	6	7	8		
23	GES Annual Report	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Vadodara	62,425	No	GACL Education Society	CSR00001759
24	HMDC Material for Vocational training	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Vadodara	13,000	No	GACL Education Society	CSR00001759
25	Project related monitoring expenses	Cl.(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently abled and livelihood enhancement projects.	Yes	Gujarat	Vadodara, Bharuch, Surendranagar, Narmada, Dahod	14,29,129	No	GACL Education Society	CSR00001759
Total						4,03,01,481			

- (d) Amount spent in Administrative Overheads : Rs. 20,70,000
 (e) Amount spent on Impact Assessment, if applicable : N.A.
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs.5,52,00,000
 (g) Excess amount for set off, if any

Sr. No.	Particular	Amount (Rs. In Lakhs)
(i)	Two percent of average Net Profit of the Company as per section 135(5)	1,154.96
(ii)	Total amount spent for the Financial Year	552.00
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

9 (a) Details of Unspent CSR amount for the preceding three Financial Years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding Financial Years (in Rs.)
				Name of the Fund	Amount (Rs.)	Date of Transfer	
1	2020-21	99,42,510	80,32,344	NIL	NIL	NIL	19,10,166
2	2019-20	NIL	NIL	NIL	NIL	NIL	NIL
3	2018-19	NIL	NIL	NIL	NIL	NIL	NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration*	Total amount allocated for the project (in Rs.) **	Amount spent on the project in the Reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing
1	FY 31.03.2021_1	POCSO Project in 300 Primary Schools of Vadodara District	2019-20	2 years	7,13,750	3,56,875	7,13,750	Completed
2	FY 31.03.2021_2	Management of in-house school & management of HMDC/ Special children	2019-20	3 years	16,75,000	2,96,828	16,75,000	Completed
3	FY 31.03.2021_3	Bus shelter with solar roof top at Akshar Trust – School for children with hearing impaired	2020-21	1 year	3,46,350	1,73,175	3,46,350	Completed
4	FY 31.03.2021_4	Construction of GACL Science lab at Dhvani Trust Zadeshwar, Bharuch	2019-20	3 years	8,50,000	NIL	4,25,000	On-going

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration*	Total amount allocated for the project (in Rs.) **	Amount spent on the project in the Reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing
5	FY 31.03.2021_5	Sanitation Maintenance Programme	2018-19	3 years	30,59,030	38,000	30,59,030	Completed
6	FY 31.03.2021_6	Toilet Construction	2018-19	3 years	81,36,582	69,999	81,36,582	Completed
7	FY 31.03.2021_7	Blood Donation Camp & Sunday School Activity Project	2020-21	3 years	2,00,000	NIL	NIL	On-going
8	FY 31.03.2021_8	Vadodara by foot	2020-21	3 years	7,95,000	NIL	7,75,437	Ongoing
9	FY 31.03.2021_9	Promotion of Vadodara By Foot through advertisement on DD National	2020-21	1 Year	11,15,000	2,54,000	11,15,000	Completed
10	FY 31.03.2021_10	COVID-19 Preventive and supportive activities	2020-21	3 years	6,07,55,718	39,00,000	6,07,51,738	Ongoing
11	FY 31.03.2021_11	Multi-purpose shed at Govt. Primary Schools	2020-21	3 years	1,39,263	NIL	NIL	On-going
12	FY 31.03.2021_12	Installation of Bottle crusher machine, Vertical Garden and Murals at Kevadiya Colony Railway Station	2020-21	3 years	9,57,000	7,67,000	7,67,000	On-going
13	FY 31.03.2021_13	Construction of culvert at Pipaliya village	2020-21	3 years	4,34,000	3,86,640	3,86,640	On-going
14	FY 31.03.2021_14	Embossed tiles charts in 3 Government Primary Schools	2020-21	1 year	7,80,000	7,80,000	7,80,000	Completed
15	FY 31.03.2021_15	Health, Sanitation related projects in Tribal areas	2020-21	1 year	41,78,000	9,89,471	41,78,000	Completed
16	FY 31.03.2021_16	Award Partnership with Gujarat CSR authority for promotion of CSR activities	2020-21	3 years	8,85,000	NIL	NIL	On-going
17	FY 31.03.2021_17	Bio-Shield-plantation	2018-19	3 years	35,09,188	20,356	35,09,188	Completed
	TOTAL			4,75,90,931	8,85,28,881	80,32,344	8,66,18,715	

*Project Duration is from the year of commencement of project.

** Represents budget for the Financial Year in which Project was commenced.



10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year (asset-wise details):

Not Applicable

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5):

Not Applicable

Date : 4th August, 2022

Sd/-
(Swaroop P. IAS)
Managing Director

Sd/-
(Pankaj Kumar, IAS)
Chairman - CSR Committee

ANNEXURE – 3 to Board's Report

Form MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2022
[Pursuant to Section 204(1) of the Companies Act, 2013, Rule 9
of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

To,
The Members,
Gujarat Alkalies and Chemicals Limited
P.O.: Ranoli – 391 350,
District: Vadodara.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gujarat Alkalies and Chemicals Limited ("Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, 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, we hereby report that, in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2022, ("review period"), 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:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the period under review, according to the provisions of:

- i. The Companies Act, 2013 ("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 Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) 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;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable to the Company during the Audit Period);**
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not Applicable to the Company during the Audit Period);**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period);**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the Audit Period);**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the Audit Period).**
 - (i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulation, 2013 **(Not Applicable to the Company during the Audit Period);**
 - (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

We have also examined compliance with the applicable clauses / regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) The Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Ltd. read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



49th Annual Report 2021-22

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

We further report that;

- A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;
- B. Adequate notice is given to all the 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 clarification on the agenda items before the meeting and for meaningful participation at the meeting;
- C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;
- D. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines;
- E. During the period under review, there were no specific instances / actions in pursuance of the above referred Laws, Rules, Regulations, Guidelines, etc., having a major bearing on the Company's affairs.

Suresh Kumar Kabra

Partner

Samdani Shah & Kabra

Company Secretaries

ACS No. 9711, CP No. 9927

Place : Vadodara

Date : 4th August, 2022

UDIN : A009711D000719475

Peer Review Certificate No. 1079/2021

This Report is to be read with our letter of even date which is annexed as Appendix A and forms an integral part of this report.

Appendix - A

The Members,

Gujarat Alkalies and Chemicals Limited

P.O.: Ranoli – 391 350,

District: Vadodara.

Our Secretarial Audit report of even date is to be read along with this letter, that:

- i. Maintenance of secretarial records and compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- iii. Wherever required, we have obtained the management representation about the Compliance of Laws, Rules and Regulations and happening of events, etc.
- iv. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Suresh Kumar Kabra

Partner

Samdani Shah & Kabra

Company Secretaries

ACS No. 9711, CP No. 9927

Place : Vadodara

Date : 4th August, 2022

UDIN : A009711D000719475

Peer Review Certificate No. 1079/2021

ANNEXURE – 4 to Board's Report

FORM NO. MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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]

17th May, 2022

To,
The Members,
GACL-NALCO Alkalies & Chemicals Private Limited
P.O.: Ranoli – 391 350, 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, 2022, 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, 2022 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;
- (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.

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 2021-22 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. 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 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 Extra Ordinary General Meeting held on 28th January, 2022, the members have passed an Ordinary Resolution pursuant to Section 188 of the Companies Act, 2013 to approve the Related Party Transactions and a Special Resolution under section 62(3) of the Companies Act 2013 to give consent to the Board to accept the Condition of option to the lenders to convert Loans/Working Capital Facilities into Equity Shares of the Company in the event of default;
- iii) 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.F001602D000334022

Peer Review Certificate: 1836/22

Place : VADODARA
Date : 17th May, 2022

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

17th May, 2022

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 2021-22.
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

ANNEXURE – 5 to Board’s Report

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L24110GJ1973PLC002247
2.	Name of the Company	Gujarat Alkalies and Chemicals Limited
3.	Registered Office address	P.O. : Ranoli : 391 350 Dist. : Vadodara (Gujarat)
4.	Website	www.gacl.com
5.	e-mail id	investor_relations@gacl.co.in cosec@gacl.co.in
6.	Financial Year reported	2021-22
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Chemicals- NIC Code - 2411
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	1. Caustic Soda Group 2. Hydrogen Peroxide 3. Chloromethanes Group
9.	Total number of locations where business activity is undertaken by the Company	
	i	Number of International Locations (Provide details of major 5)
	ii	Number of National Locations
10.	Markets served by the Company- Local/State/National/International	Across India, Africa, Europe, South Asia, Middle East, Australia, Russia, USA and Turkey etc.

Section B : Financial Details of the Company

S r. No.	Particulars	Financial Year 2021-22 Standalone (Rs. in Crores)
1.	Paid up Capital (INR)	Rs.73.44
2.	Total Turnover (INR)	Rs.3,683.40
3.	Total Profit After Taxes (INR)	Rs.561.98
4.	Total Spending on Corporate Social Responsibility (CSR)	Rs.5.52
	As percentage of Profit After Tax (%)	The Company has spent 0.956% of the average net profits of last three years.*
5.	List the activities in which expenditure in 4 above has been incurred.	
	A. Promotion of Education and related Activities	
	B. Care for Special Children	
	C. Preventive Healthcare, Hygiene and Sanitation	
	D. Sustainable livelihood and skill development	
	E. Promotion of art, culture and heritage	
	F. Water Conservation and Environment related activities	

*Pursuant to the provisions of the Companies Act, 2013 read with Companies (CSR Policy) Rules, 2014, as amended, the Company has transferred unspent amount of Rs. 6.03 Crore into the Separate account named as “GACL Unspent Corporate Social Responsibility Account 2021-22.”



Section C: Other Details

1. Does the Company have any Subsidiary Company / Companies?
Yes, the Company has one (01) Subsidiary Company, viz. GACL-NALCO Alkalies & Chemicals Pvt. Ltd.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)
The subsidiary company, GACL-NALCO Alkalies & Chemicals Private Limited (“GNAL”) has partially started its commercial operations from 30th March 2022. Accordingly, GNAL will participate in BR initiatives of the Company in next year. There is no other Subsidiary Company.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]
More than 60%

Section D: BR Information

1. Details of Director/Directors responsible for BR

- a) Details of the Director / Director responsible for implementation of the BR policy / policies
 - DIN Number : 08103838
 - Name : Shri Swaroop P. IAS
 - Designation : Managing Director

b) Details of the BR head

Sr. No.	Particulars	Details
1.	DIN Number (if applicable)	08103838
2.	Name	Shri Swaroop P. IAS
3.	Designation	Managing Director
4.	Telephone number	0265 – 2232801/6111210
5.	E-mail ID	md@gacl.co.in

2. Principle-wise (as per NVGs) BR Policy / Policies (Reply in Y/N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under :

- P1** Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3** Businesses should promote the well-being of all employees.
- P4** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5** Businesses should respect and promote human rights.
- P6** Businesses should respect, protect, and make efforts to restore the environment.
- P7** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8** Businesses should support inclusive growth and equitable development.
- P9** Businesses should engage with and provide value to their customers and consumers in a responsible manner

Sr. No.	Questions	Business Ethics	Product Responsibility	Well-being of Employees	Stakeholder Engagement & CSR	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)*	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	https://gacl.com/upload_files/d4ddf_br_policy.pdf								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

*The policies are based on National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) and in consonance with the generally accepted principles and with the applicable regulatory requirements.

Our QHSEEn policy conforms to requirement of international standard ISO 14001: 2015.

2a. If answer to Sr. No. 1 against any principle, is 'No', please explain why : (Tick up to 2 options)

Sr. No.	Questions	Business Ethics	Product Responsibility	Well-being of Employees	Stakeholder Engagement & CSR	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3.	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.
Annually.
- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?
The Company publishes BRR as part of Annual Report and BRR is also available on the website of the Company at : www.gacl.com

Section E: Principle-wise performance

Principle 1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?
Yes, the Company has only one subsidiary viz. : GACL-NALCO Alkalies & Chemicals Pvt. Ltd. (GNAL) and the said policy is applicable to the Subsidiary Company. So far as Suppliers / Contractors / NGOs / Others are concerned, the policy of the Company is applicable to the extent of their dealings with the Company.
2. How many stakeholder complaints have been received in the past Financial Year and what percentage was satisfactorily resolved by the management?
During the Financial Year 2021-22, the Company had received 33 complaints from shareholders and all the complaints were satisfactorily resolved.

Principle 2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
 - i. Caustic Soda Group
 - ii. Sodium Chlorate
 - iii. Chloromethanes Group
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional) :

- i. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?
Energy reduction per unit of NaOH production – 17 KWH/MT.
 - ii. Reduction during usage by consumers (energy) has been achieved since the previous year?
Energy reduction per unit of NaOH production – 17 KWH/MT.
3. Does the Company have procedures in place for sustainable sourcing (including transportation)?
- (a) If yes, what percentage of your inputs was sourced sustainably?
Few major activities of sustainable sourcing are mentioned hereunder:
- Our Company has a policy of procurement which reflects sustainable sourcing taking into consideration economical aspect in procurement, environmental friendly processes and giving due weightage to social aspects.
 - In our endeavor of sustainable sourcing we have appealed all our major suppliers to adopt sustainable sourcing in their business.
 - One of the major raw materials is Salt which is a natural product being produced from either sea water or from subsoil water by natural evaporation process in sun light. No chemical which may harm environment is used during manufacturing process. It is transported in bulk in vehicle and no packaging material is used. Considering environment friendly usage, we had changed specifications of Salt from July 2017 and washed Salt is used at both the complexes. By using improved quality salt, chemical consumption and sludge generation has reduced considerably. We procure about 8 (eight) lakhs MT of Salt for Baroda & Dahej complexes from the manufacturers who have salt works spread over different locations within State and these comprise very small to large manufacturers. We have been using Rail rakes instead of Trucks for transportation of major quantity of Salt from faraway places like Maliya, Gandhidham which is eco-friendly means of transportation.
 - Packaging materials like carboys, barrels, bags etc. which are used for filling the finished products are procured from the nearby sources and from small vendors. These packaging materials can be recycled & reused for other purposes.
 - In procurement of certain raw materials like Lime, Alumina Tri Hydrate we have changed packaging size from 50 kg to jumbo bag of 1 MT. Jumbo bags can be reused for other purposes.
 - We support MSME vendors, procure material from them, strive to release payment to them as per government directives and indirectly help to create employment.
 - For entire (100%) procurement of our Company, we follow Procurement Policy of our Company that supports sustainable sourcing.
4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?
- If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
- Our company gives preference in procurement of goods and services from local and small producers in surrounding area.
 - We have been procuring entire requirement of Salt for Baroda and Dahej Complexes from the local suppliers situated at Dahej, Gandhar, Jambusar, Bhavnagar and Maliya, Gandhidham etc. Many suppliers in these regions are small suppliers from whom we procure salt. Our company has encouraged to improve quality of Salt by installing salt washery in their salt works. Many small suppliers have installed Salt washery which has benefitted them in improving the quality of Salt by removing impurities at source which has benefitted to them and GACL as well.
 - The Company has supported small vendors by procuring engineering, consumables, general nature items from them at competitive price and we extend favorable payment term to them thus create employment opportunity to local community.
 - To support small producers in their business and to generate employment, we procure consumable and engineering items from them at competitive price and we offer payment term to them as per applicable provision of the Micro Small and Medium Enterprises Development (MSMED) Act, 2006.
5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).
- As a step further to its environmental preservation philosophy and commitments, the company has installed the new RO plant to recycle 40% liquid effluent stream. We also recycled 56.43% catalyst for Hydrogen peroxide plant.



Principle 3 - Businesses should promote the well-being of all employees.

1. Please indicate the Total number of employees:1538
(as on 31.03.2022)
Out of total number of employees, 432 employees were hired on Contract (Management & Non-Management), Trainees and Fixed Term Contract (FTC).
2. Please indicate the Total number of employees hired on temporary / contractual / casual basis.
As on 31st March, 2022, total 2000 persons were hired on temporary/contractual/casual basis.
3. Please indicate the Number of permanent women employees.
As on 31st March, 2022, permanent women employees were 41.
4. Please indicate the number of permanent employees with disabilities.
As on 31st March, 2022, the number of permanent employees with disabilities were 06.
5. Do you have an employee association that is recognized by Management.
Yes, the Company has an employee association viz. GAC Employees Union which is recognized by the Management.
6. What percentage of your permanent employees is members of this recognized employee association?
65.91%
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last Financial Year and pending, as on the end of the Financial Year.

Sr. No.	Category	No. of complaints filed during the Financial Year	No. of complaints pending as on end of the Financial Year
1.	Child labour / forced labour / involuntary labour	NIL	NIL
2.	Sexual harassment	NIL	NIL
3.	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?
 - Permanent Employees : 60%
 - Permanent Women Employees : 100%
 - Casual/Temporary/Contractual Employees (FTC) : 100%
 - Employees with Disabilities : 85%

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the Company mapped its internal and external stakeholders? Yes / No.
Yes.
2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.
Yes.
3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders.
The Company had taken various special initiatives to engage with disadvantaged, vulnerable and marginalized stakeholder such as:
 - (i) The Company has adopted Home for Mentally Differently Abled Children which is a Government of Gujarat owned residential cum training facility for mentally challenged children. This is a home for orphan children (only boys) who are destitute, suffering from abandonment for being mentally differently abled.
 - (ii) The Company has constructed 5 Anganwadis and 5 Mid- Day Meal Shed in Bharuch and Vadodara Districts for Children.

- (iii) Construction of Girls Toilets in 2 Schools of Vagra Taluka of Bharuch District.
- (iv) Developed ceramic embossed education learning charts in 10 schools of Vadodara City.
- (v) Construction of 960 toilets for the most disadvantaged and economically poor community in Vagra Taluka of Bharuch District.
- (vi) Supported Government General Hospitals for establishment of PSA Oxygen Plants at the time of COVID19 pandemic.
- (vii) Nutrition Vegetable Garden created for the pregnant and lactating mothers in Aspirational Tribal Areas of Narmada and Dahod.
- (viii) Construction of drainage line in Ranoli Village of Vadodara Taluka.
- (ix) Nutrition kit provided to 81 TB infected persons of Vadodara Taluka.
- (x) Support to Akshay Patra Foundation for Mid Day Meal distribution vehicles in Vadodara District.
- (xi) Financial Contribution to Government and other organizations in COVID related supporting and preventive activities.
- (xii) Supported Agariya Community to replace diesel operated pumps to Solar Operated Pumps of Surendranagar District.

Principle 5 - Businesses should respect and promote human rights.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors/ NGOs / Others ?

The Policy on Human Rights is covering various stakeholder of the Company. The Company has a subsidiary named GACL-NALCO Alkalies & Chemicals Pvt. Ltd. to which the said Policy is applicable.

2. How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management?

No complaint/s was received in the last Financial Year

Principle 6 - Businesses should respect, protect, and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others

Yes. The policy on environment extends to the Joint Venture. The Company encourages its Suppliers / Contractors / NGOs / others to follow the same.

2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes, the hyperlink for webpage is as below :

<https://www.gacl.com/corporate.php?nv=4>

- i) Water conservation - GACL had installed wastewater recycling RO Plant for converting wastewater into reusable water. Daily 400 to 500 M³ of wastewater is treated and converted to reusable water which is recycled back in the plant. This has reduced consumption of fresh water.
- ii) The Company has at its Dahej Complex, covered large area by development and maintenance of green belt, landscaping, flora & fauna, rainwater harvesting and natural ponds. The Company has rolled out the construction of facility for recycling part of its liquid effluent stream, using ZLD principle in Dahej Complex. The Company has undertaken water conservation by channelizing Cooling Tower Water Spillage, treated sewage and drip irrigation. Nearly 24,000 nos. of trees have been planted and 54.40 acre green belt developed.
The canteen and garden waste is being converted into organic manure through in-house vermicomposting facility on regular basis at both the Complexes.
- iii) Huge green belt - GACL have 1,25,171 MT² green cover area developed and maintained.
- iv) Rain water harvesting - Rain water harvesting is being done at our solid waste landfill site in surface area of 29 acres by way of groundwater recharge. In Dahej Complex, rain water is being utilized in maintaining green belt by storing rain water in earthen ponds totaling approx. 30,000 m³ capacity.
- v) Treatment of effluent - GACL is promoter and member of Vadodara Enviro Channel Limited (VECL) which is responsible for safely conveying treated liquid effluent from industries into estuary of river Mahi through



55 KM long channel. Treated Effluent in Dahej is discharged in Gulf of Cambay via 12 km long captive underground pipeline as recommended by NIO after detailed EIA and CRZ clearance.

- vi) Captive solid waste landfill site - GACL has own solid waste landfill site for safe disposal of hazardous waste.
- vii) Reduction in solid waste quantity by implementing Cleaner production - We have replaced use of raw salt with washed salt (having less impurities) for production of Caustic Soda. By using washed salt, solid waste generation has reduced by around 800 MT/Month.

For more details on Initiatives taken by the Company, kindly refer Management Discussion and Analysis of the Annual Report for the Financial Year 2021-22.

3. Does the Company identify and assess potential environmental risks? Y/N

Yes. Potential environmental risks are identified and assessed before any new project / expansion of existing plant by way of conducting Environmental Impact Assessment & preparing Environment Management Plan for the same.

4. Does the Company have any project related to Clean Development Mechanism? If Yes, whether any environmental compliance report is filed?

In order to continue promote Green technology, and to meet the Solar Renewable Purchase Obligations, the Company had installed 35 MW of Solar Power Plant and 171.45 MW of Wind Power Plants, with an aggregate renewable energy capacity of 206.45 MW. The captive use of the power from these installations has been providing benefits of lower power cost to the Company for its power intensive operations.

The production of Carbon Tetrachloride (CTC) comes under Ozone Depletion Substance (ODS) Rules, 2000 as per the guidelines of Montreal Protocol framed by Government of India, has been phased out while production of CTC only for feed stock application is continued.

In the field of water conservation, the Company has commissioned daily 400 to 500 M³ of wastewater recycling RO Plant for converting waste water into reusable water.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes, the Company had installed 35 MW of Solar Power Plant and 171.45 MW of Wind Power Plants, with an aggregate renewable energy capacity of 206.45 MW.

The Company has also installed floating Solar Power Plant having capacity of 640 kw and Solar Rooftop installations having 220 kw Solar Rooftop installations at Dahej complex.

The JV Company (GACL-NALCO Alkalies & Chemicals Pvt. Ltd.) (GNAL) had successfully commissioned Unit #1 of 2x65 Captive Power Plant in May, 2022.

The Company (GACL) and NTPC Renewable Energy Limited (NTPC REL), a wholly owned subsidiary of NTPC Limited have signed Memorandum of Understanding (MoU) on 6th July 2022 to explore the business opportunities of mutual interest in the areas of sourcing of renewable power having optimum mix of solar, wind and other clean energy including energy storage solutions to the extent of about 100 MW, as required for the operations and manufacturing of GACL at Vadodara Complex and/or Dahej Complex or any of its other Complexes and to jointly work on synthesizing Green Chemicals such as Methanol and Ammonia for captive use by GACL using Hydrogen and CO₂ available at GACL.

The Hon'ble Prime Minister has launched a Roadmap for 20% Ethanol Blending in Petrol by 2025, with a view to reduce import of crude oil and save valuable foreign exchange. In response to the Hon'ble Prime Minister of India's call for 'Atmanirbhar Bharat', the Company (GACL) and GAIL (India) Limited (GAIL) have signed Memorandum of Understanding (MoU) and Termsheet for JV agreement for setting up a 500 KLD Bioethanol plant in Gujarat.

6. Are the Emissions / Waste generated by the Company within the permissible limits given by Central Pollution Control Board (CPCB) / Gujarat Pollution Control Board (GPCB) for the Financial Year being reported?

Yes. The emissions / Waste generated by the Company are within the limits prescribed by Gujarat Pollution Control Board (GPCB).

7. Number of show cause/ legal notices received from Central Pollution Control Board (CPCB) / Gujarat Pollution Control Board (GPCB) which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

No show cause / legal notices received from CPCB / GPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with :
The Company is Member of:
 1. Alkali Manufacturers Association of India, New Delhi
 2. Indian Chemical Council, Mumbai
 3. Gujarat Chemical Association, Ahmedabad
 4. Society for Clean Environment, Vadodara
 5. National Safety Council, Mumbai
 6. Gujarat Safety Council, Vadodara
 7. Federation of Gujarat Industries, Vadodara
 8. Exim Club, Vadodara
 9. CHEMEXCIL, Mumbai
 10. Gujarat Employers' Organization, Vadodara
 11. Dahej Industries Association
2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).
No.

Principle 8 - Businesses should support inclusive growth and equitable development.

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof
The Company has well defined CSR Policy which aims at inclusive growth and equitable development having its focus areas as follow:
 - Education and related activities
 - Care for Special Children
 - Preventive Healthcare, Hygiene and Sanitation
 - Promotion of Art, Culture and Heritage
 - Sustainable Livelihood and skill development
 - Water Conservation and Environment
2. Are the programmes / projects undertaken through in-house team/own foundation / external NGO / government structures/any other organization?
Majority of the programmes/ projects are undertaken through in-house team under GACL Education Society (GES). GES is a CSR arm of GACL to implement its CSR activities. There are few programmes/ projects which are implemented in partnership with NGOs and Government structures / authorities.
3. Have you done any impact assessment of your initiative?
Yes. We do internal impact assessment study of almost all CSR projects. We have also done external impact assessment of HARSH project through third Party. HARSH project was going on in 36 villages of Vagra Taluka of Bharuch District. There were following component under the project:
 - a. Developing Bio-Shield along the mouth of Narmada village at Suva village through establishing mangrove, pihu and fodder plot in 40 hectares land.
 - b. Initiating community sanitation, maintenance & support programme in villages;
 - c. Supporting participants in construction of 1000 toilets in 36 project villages; and
 - d. Women empowerment.

We regularly conduct surveys and take feedback from the project beneficiaries to know the impact of the project activities. These surveys and feedback are generally conducted by our internal CSR team



4. What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken.

The Company's contribution to community development projects in the Financial Year 2021-22 was Rs.5.52 Crores.

For more details, kindly refer Annexure 2 of Board's Report i.e. Annual Report on CSR activities for the Financial Year 2021-22.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

Yes, we have involved different stakeholders of the project in various stages of the project such as planning, implementation, monitoring and supervision. We have involved them in decision making process at community level so that they will take over the project further. The women and Gram Panchayat members were motivated and strengthen to adopt the initiatives. We have also involved parents, school management committee members and teachers in various activities conducted in schools with children. The local level women committees were empowered to identify the needs of the community. We have also ensured the participation of community in various meetings and trainings to enable them to adopt community developmental initiatives. The marginalized and vulnerable community members were also motivated to participate at each stage of the project.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints / consumer cases are pending as on the end of Financial Year.
NIL.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)
Yes.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of Financial Year.

An investigation was conducted by the Director General of the Competition Commission of India (CCI) against the Company, for alleged contravention of the provisions of Section 3(1) read with 3(3)(d) of the Competition Act, 2002, in respect of sales of chemical products to Delhi Jal Board (DJB). The Competition Commission of India vide its order dated 05.10.2017 imposed penalty Rs.1.88 Crores.

The Company had filed an Appeal before the NCLAT Challenging the order of the CCI. The Hon'ble NCLAT through its order dated 04.12.2017 granted stay on the operation of the impugned order of the CCI subject to a deposit of 10% of the penalty amount. The Delhi Jal Board has filed its Reply to the Appeal. The Company has also filed its Rejoinder to the Reply of the DJB. The Company had submitted convenience compilation and Note of Submission before NCLAT. The Delhi Jal Board had also submitted their Note of Submission. The Company believes that it had not indulged in any such activity.

4. Did your Company carry out any consumer survey / consumer satisfaction trends?
Yes.
-

ANNEXURE – 6 to Board's Report

PARTICULARS OF EMPLOYEES

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2021-22 are as under :

Sr. No.	Name of Director / KMP and Designation	Remuneration of Director / KMP for Financial Year 2021-22 (Rs. In Lakhs)	% increase in remuneration in the Financial Year 2021-22	Ratio of remuneration of each Director / to median remuneration of employees (on annualized basis)
1.	Shri Milind Torawane, IAS, Managing Director (upto 06.02.2022)	N.A.*	N.A.*	N.A.
2.	Shri Harshad R Patel, IAS, Managing Director (from 07.02.2022)	3.76*	N.A.*	N.A.
3.	Shri Vinayak Kudtarkar General Manager (Finance) & CFO	37.16*	22.64%*	N.A.
4.	Shri Sanjay S Bhatt Company Secretary & CGM (Legal, CC& CSR)	44.18*	19.86%*	N.A.

* The remuneration of the Managing Director and other Key Managerial Personnel [General Manager (Finance) & CFO and Company Secretary] during the Financial Year 2021-22 are not comparable with Financial Year 2020-21 due to following reasons:

- Shri Milind Torawane, IAS, ceased as Managing Director of the Company w.e.f. 06.02.2022. His details of remuneration are mentioned as on 06.02.2022 and therefore the percentage increase in remuneration in the Financial Year 2021-22 is not comparable and hence, not stated. Special Pay (Charge Allowance) of Rs. 0.47 Lakhs was paid to him for the period from 01.04.2021 to 06.02.2022.
- Shri Harshad R Patel, IAS, is nominated as Government Director on the Board of the Company with effect from 7th February, 2022. The Company has received Letter No. PAO-GNR-SRB-IAS-117/1049 dated 17th February, 2022 of Pay and Accounts Office, Gandhinagar, sanctioning for payment of remuneration of Rs.1,57,600/- Per Month with effect from 7th February 2022 (i.e. the date on which he took over the charge) in the Pay Range of Rs.1,44,200 – Rs.2,18,200 (Level 14 of Pay Matrix) subject to usual deduction as per Rules to Shri Harshad R Patel, IAS, as Managing Director of the Company.
- The remuneration of Shri Vinayak Kudtarkar, CFO, as stated above is not comparable due to release of variable incentive at higher performance rating, normal annual increment applicable to all management grade employees as per Company's policy etc.
- The remuneration of Shri S.S. Bhatt, Company Secretary, as stated above is not comparable due to release of variable incentive at higher performance rating, normal annual increment applicable to all management grade employees as per Company's policy etc.

NOTES

- The Remuneration of the Managing Director is decided by Government.
- Details for other Directors are not given as other Directors are paid only Sitting Fees for attending Board Meetings and the Committee Meetings. No other remuneration is paid to the Directors.

- (ii) The median remuneration of employees of the Company during the Financial Year was Rs.15.08 lakhs.
 (iii) In the Financial Year 2021-22, there was increase of 23.10% in the median remuneration of employees.



- (iv) There were 1538 permanent employees on the roll of the Company as on 31st March, 2022.
- (v) Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstance for increase in the managerial remuneration:

The remuneration of Management and Non-Management personnel is subject to revision every four years other than annual increment. During the Financial year 2021-22, the remuneration was revised by average 19.52% and 25% respectively on Cost to Company Basis. The next revision shall be in the Financial Year 2025. Therefore, there is no direct relationship between performance of the Company and remuneration of employees except that in case of performance incentives to management employees. However, during the periodical revision of remuneration, the performance of the Company is taken into account. One of the criteria to evaluate the individual performance is "Organization Performance" in different grade of Management employees.

- (vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors (in case of Managing Director, the remuneration is decided by the Government), Key Managerial Personnel and other management personnel is as per the Company's Policy and for other non-management employees as per the settlement arrived with their employees' union.

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

SR. NO.	EMPLOYEE NAME	DESIGNATION OF EMPLOYEE	REMUNERATION RECEIVED (RS.)	QUALIFICATION & EXPERIENCE IN YEARS	DATE OF COMMENCEMENT OF EMPLOYMENT	AGE (YEARS)	LAST EMPLOYMENT HELD
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
PART - A (FULL YEAR)			NIL				
PART - B (PART OF THE YEAR)							
1	DEVENDRAKUMAR MISTRY	SENIOR ASSISTANT	38,86,140	B.Com, PG Dip (Material Mgt) (35)	15-10-1987	60	NIL
2	KAUSHIKBHAI PATEL	SENIOR OFFICER	38,73,795	B.com, LLB (34)	21-01-1988	60	G.S.F.C., Fertilizarnagar
3	JAYANTIBHAI PATEL	SENIOR FOREMAN	28,36,507	ITI - Electrician, Wireman, Electrical (42)	16-10-1980	60	NIL
4	VARSHA KANSARA	SENIOR ASSISTANT	27,33,096	B.com, Certificate Course in English (30)	27-11-1992	60	SARABHAI CHEMICALS LTD., BARODA
5	KANAIYALAL CHAUHAN	ASSISTANT OFFICER	27,14,904	B.Com (36)	27-08-1986	60	NARMADA MAIN CANAL LAB. BODELI
6	CHANDRAKANT SHAH	CHIEF MANAGER	49,73,293	B.Sc (40)	10-04-1982	60	NIL
7	KABHAI VALA	SENIOR SECURITY INSPECTOR	21,34,691	BA (36)	23-08-1986	60	ARMY, JABALPUR
8	SUNILKUMAR PATEL	CHARGEMAN	19,95,267	ITI - AOCP (26)	21-05-1996	45	LUPIN LAB.LTD. ANKLESHWAR
9	DATTARAM MORE	HEAD LABORATORY TECHNICIAN	36,47,784	7th Std (42)	13-11-1980	59	NIL
10	HARGOVIND CHAUHAN	SENIOR FOREMAN	36,10,244	ITI - Electrician (40)	04-02-1982	60	NIL
11	VIJAY BHATT	CHIEF MANAGER	50,09,580	B.Sc (40)	06-04-1982	60	NIL
12	KUBERBHAI RABARI	HEAD DRIVER	15,48,608	6th Std (26)	09-09-1996	60	NARAYAN ENTERPRISES, GACL SITE
13	MAHENDRA GAJJAR	CHARGEMAN	28,67,088	Certificate Course - Boiler Attndt (33)	18-12-1989	60	SARABHAI COMMON SERVICES
14	BHARATKUMAR VYAS	OFFICER	37,95,086	B.Com (36)	16-08-1986	60	CHIDGHAN CHEMICALS, BARODA
15	MUSTAKMOHAMED MANSURI	SENIOR MANAGER	59,89,043	B.Com, LLB, DLP (40)	01-08-1981	60	NIL
16	ATMARAMBHAI PATEL	SENIOR FOREMAN	35,19,744	ITI, Diploma (Electrical) (27)	13-06-1994	60	MEHSANA DIST. TELIBIYA UTPADAK SAHAKARI SANGH LTD.

17	RAMESHBHAI PAREKH	CHARGEMAN	33,61,267	ITI - AOCB (27)	09-08-1995	60	HOECHST (I) LTD., ANKLESHWAR
18	MAHENDRAKUMAR DEWANGAN	ADDITIONAL GENERAL MANAGER	74,89,848	BE- Electrical (26)	10-05-1996	60	NIL
19	DAHAYABHAI AHIR	ASSISTANT JUNIOR OPERATOR	9,38,927	3rd Std (17)	04-06-2005	56	UNDER CONTRACT WORKER AT GACL
20	RASIKBHAI VALAND	SENIOR PEON	28,28,131	9th Std (42)	28-04-1980	60	NIL
21	ANILKUMAR SHAH	OFFICER	35,88,737	B.com, LLB, LLM (36)	02-09-1986	60	AMBITION AGENCY, BARODA
22	JANAKKUMAR SHAH	SENIOR OFFICER	34,14,432	B.Com (35)	09-08-1986	59	GUJARAT SIDHEE CEMENT LTD. VERAVAL

NOTE : THE AMOUNT OF "REMUNERATION" SHOWN ABOVE INCLUDES SALARY, ALLOWANCES, THE COMPANY'S CONTRIBUTION TO PROVIDENT FUND, LEAVE ENCASHMENT, LEAVE TRAVEL CONCESSION / LEAVE TRAVEL ASSISTANCE, MEDICAL REIMBURSEMENT, CONTRIBUTION TO SUPER ANNUATION FUND, GROUP PERSONAL ACCIDENT POLICY PREMIUM, MONETARY VALUE OF PERQUISITES ETC. GRATUITY IS CONSIDERED AS ACTUAL AT THE TIME OF RETIREMENT.

NONE OF THE ABOVE EMPLOYEES IS A RELATIVE OF DIRECTOR OF THE COMPANY.

DETAILS OF TOP 10 EMPLOYEES REMUNERATION (CTC) FOR FINANCIAL YEAR 2021-22

SR. NO.	EMPLOYEE NAME	DESIGNATION OF EMPLOYEE	REMUNERATION* RECEIVED (RS.)
1	G S PALIWAL	ED (MKTG.)	52,12,806
2	S S BHATT	CS & CGM (LEGAL, CC & CSR)	43,83,702
3	R S PATIL	GM (OPERATIONS)	39,56,883
4	V D TUPSAMUDRE	CGM (PURCHASE)	37,42,907
5	H D PAREKH	AGM (HR, IR & A & T&D) (DAHEJ)	37,42,258
6	J K SHAH	GM(O, ES & TS)	37,26,080
7	H H SALOT	GM (ES)	37,22,420
8	PANKAJ MITTAL	AGM (MKTG.)	36,86,277
9	R D DESAI	AGM (CPP)	35,75,568
10	M B SHAH	AGM (CPP) & Head PMO	34,94,748

*The above remuneration is Cost to the Company (CTC). However, actual remuneration drawn may differ due to various factors such as variable incentives, leave encashment availed, promotion, perks & benefits, reimbursement given by Company on actual basis etc.



MANAGEMENT DISCUSSION AND ANALYSIS

AN OVERVIEW OF ECONOMY - INDUSTRY STRUCTURE AND DEVELOPMENTS

GLOBAL ECONOMY

India is estimated to be the fastest growing economy at 8.2 per cent in 2022 and 6.9 percent in 2023 as per IMF latest estimates. As per IMF's World Economic Outlook (WEO) April 2022, global growth is projected to slow down from an estimated 6.1 per cent in 2021 to 3.6 per cent in 2022 and 2023 amid ongoing geopolitical conflict, accompanying sanctions and resulting international spillovers through global commodity prices, trade and financial linkages, labour supply. For 2022, inflation is projected at 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies.

Following more than two years of pandemic, war between Russia-Ukraine has led to high commodity prices, adding to supply disruptions, increasing food insecurity and poverty, exacerbating inflation, contributing to tighter financial conditions, magnifying financial vulnerability, and heightening policy uncertainty. Growth in emerging market and developing economies (EMDEs) this year has been downgraded to 3.4 percent. Despite the negative shock to global activity in 2022, there is essentially no rebound projected next year. Global growth is forecast to edge up only slightly to a still-subdued 3 percent in 2023, as many headwinds in particular, high commodity prices and continued monetary tightening are expected to persist. Moreover, the outlook is subject to various downside risks, including intensifying geopolitical tensions, growing stagflationary headwinds, rising financial instability, continuing supply strains, and worsening food insecurity.

INDIAN ECONOMY

According to the data, the growth in GDP at constant prices (2011-12), also known as real GDP, during FY 2022 is estimated to attain a level of INR 147.36 trillion (US\$1.90 trillion), as against the First Revised Estimate of INR 135.58 trillion (US\$1.75 trillion) for FY 2021. The growth in GDP during FY 2022 is estimated at 8.7 percent as against contraction of 6.6 percent in the previous fiscal due to the impact of strict anti-COVID pandemic restrictions and measures.

Manufacturing in India grew by 9.9 percent during the year against a contraction of 0.6 percent in the previous year. Construction showed a growth of 11.5 percent during the financial year against a contraction 7.3 percent in the previous fiscal. Contact-intensive sectors like trade, hotels, and transport grew 11.1 percent compared to a contraction of 20 percent in previous year. The services sector had earlier suffered a major blow in FY 2021 due to pandemic-related restrictions and grew by 4.2% compared to 2.2% in previous fiscal. The agriculture sector, on the contrary, slowed to 3 percent in FY 2021-22, as compared to a

growth of 3.3 percent in the previous fiscal.

In 2021-22, India exported goods worth over Rs 31 lakh crore. At the same time, its imports at Rs 38.78 lakh crore were 22 per cent higher. This gap was about 12 per cent last year and 18 per cent in 2019-20. The rupee's nearly 4 per cent depreciation against the dollar this year has also made imported items costlier, prompting the federal government to restrict wheat and sugar exports and cut fuel taxes, joining the RBI in the battle against inflation.

Among major countries, the WEO projects India to be the fastest growing economy at 8.2 per cent in 2022-23. The fiscal year 2022-23 has begun with a strong growth in economic activity in April 2022 as seen in the robust performance of e-way bill generation, ETC toll collection, electricity consumption, PMI manufacturing and PMI services. The GST collection for March transactions going up to Rs.1.68 lakh crore, the highest monthly collection, further bodes well for high economic activity in 2022-23. Notwithstanding the presence of inflationary headwinds, the capex driven fiscal path of the Government, as laid down in budget 2022-23, will help the economy post a near 8 per cent growth in real GDP for the current year.

Seen over a longer time horizon, inflation in India's economy has not been as much a challenge as is sensed from month-to-month changes. CPI Inflation during FY 2021-22 averaged 5.5 per cent, 50 basis points below the upper limit of the RBI MPC's inflation band, and lower than 6.2 per cent for FY 2020-21. While inflation is expected to be elevated in 2022-23, mitigating action taken by the Government and RBI may reduce its duration. Earlier in May 2022, the Reserve Bank of India (RBI) raised the benchmark repo rate by 40 basis points. Evidence on consumption patterns further suggests that inflation in India has a lesser impact on low-income strata than on high-income groups. Further, since aggregate demand is recovering only gradually, the risk of sustained high inflation is low.

India is ranked 63 among 190 economies in the ease of doing business, according to the latest World Bank annual ratings. The rank of India improved to 63 in 2019 from 77 in 2018.

INDIAN CHLOR-ALKALI INDUSTRY AT A GLANCE

At present, there are 35 active Chlor-Alkali Units in India. The production of Caustic Soda during the FY 2021-22 has been 37.67 lacs MT as against the total installed capacity of about 47.63 lacs MTPA (as on 31.03.2022) i.e., capacity utilization is approx. 79%. As against this, during the same period GACL has produced 4.58 lacs MT against the installed capacity of 4.12 lacs MTPA and achieved capacity utilization of 110%.

The products of Chlor-alkali industry are the basic raw materials for various industries like Alumina, Paper & Pulp, Soaps & Detergents, Dyes, Pharmaceuticals, Water

Treatment chemicals, Pesticides and other Agrochemicals etc.

The additional capacity expansion during FY 2021-22 was approx. 4.5 Lakhs MTPA in Western India, mainly because of new start-up of GNAL and expansion of existing Plants (Source: AMAI).

Approx. 120 MTPD of Chlorine through pipeline was supplied to major customer for their requirement. This has eased the day-to-day concern of Chlorine disposal and also helped in maximizing Caustic Soda production and better realization of Chlorine from the market. Coupled with this factor, Chlorine demand in various other sectors was also satisfactory and has resulted into achieving more than 100% capacity utilization at our Dahej & Vadodara Complexes.

THE CAUSTIC SODA MARKET SCENARIO

We are a multi-product Company, having more than 37 products in our basket, yet the major revenues are coming from Caustic Soda group and therefore market scenario of Caustic Soda and Chlorine market is of utmost important to us.

The installed capacity of Caustic Soda in the country is about 47.63 lacs MTPA as on 31.03.2022 as compared to 47.75 lacs MTPA as on 31.03.2021. The total installed capacity of 47.63 lacs MTPA is based on Membrane Cell Technology. The Membrane Cell process is energy efficient, as the power requirement is much less and is in the range of 2150-2200 kwh/MT as compared to Mercury Cell where it is around 3150-3300 kwh/MT. GACL has the advantage of having its entire production from Membrane Cell. However, now all the medium & large-scale Chlor-Alkali units have converted their plants to Membrane Cell Technology.

ABOUT GACL

Your Company was established in 1973 and over a period of time, it has emerged as one of the largest producers of Caustic Soda in India with present installed production capacity of 4,12,500 lakhs MTPA of Caustic Soda as on 31st March, 2022 and enjoys the economies of scale. Your Company has about 13% share in the domestic Caustic Soda market.

Your Company has implemented elaborate Environment Management System (EMS), Quality Management System (QMS), Occupational Health & Safety management System (OH & S) & Energy Management System (EnMS) and has embarked on continual improvement. Your Company has achieved ISO 9001:2015, ISO 14001:2015, 45001: 2018 and ISO 50001: 2018 Integrated Management System Certificates.

The Quality Policy of your Company reflects its emphasis and commitments. Since inception, your Company has from time to time, expanded its operations in Chlor-Alkali Sector and also diversified into several higher end products, through forward & backward integrations. GACL was the first Indian Company to replace the Mercury Cell Technology with environment friendly and energy efficient Membrane Technology way back in the year 1989.

GACL has always ensured upgrading and adapting to eco-friendly and green technologies while it ensured the optimum capacity utilization during the Financial Year 2021-22 at Vadodara Complex. Your Company has achieved capacity utilization of 100% and more in some of the products viz. Caustic Soda Lye (110%), Chloromethanes (100%), Caustic Potash Flakes (111%) and Hydrogen Peroxide (105%), Phosphoric Acid (108%), Aluminium Chloride (104%), Sodium Chlorate Granules (106%). Being a chemical manufacturing Company, GACL carries its passion for protecting the environment at every stage of its operations, keeping in view the interests of Customers, Shareholders, Employees, Society, other Stakeholders and Mother Nature.

Your Company's products basket comprises of more than 37 products including Caustic Soda (Lye, Flakes/Prills), Liquid Chlorine, Hydrochloric Acid, Chloromethanes, Hydrogen Peroxide, Anhydrous Aluminum Chloride, Caustic Potash (Lye & Flakes), Potassium Carbonate, Aluminium Chloride, Phosphoric Acid, Chlorinated Paraffin, Poly Aluminium Chloride (various grades), Chlorotoluene, Sodium Chlorate etc. The major revenues are derived from Caustic Soda Group and therefore, Caustic Soda and Chlorine market scenario has a wide impact on your Company's performance.

Your Company's products are used by various industries viz. Textiles, Pulp & Paper, Soaps & Detergents, Alumina, Water Treatment, Petroleum, Plastics, Fertilizers, Pharmaceuticals, Agrochemicals, Plant Protection, Dyes & Dyes Intermediates, refrigeration gases, epoxy etc. and it has marked its presence across the globe even against stiff international competition by exporting its world class products viz. Caustic Soda Flakes, Caustic Soda Prills, Potassium Carbonate, Potassium Hydroxide Flakes, Hydrogen Peroxide, Liquid Chlorine, Phosphoric Acid, Aluminium Chloride, PAC, Hydrochloric Acid and CPW to Europe, West Asia, South East Asia, Africa, Middle East/Far East, SAARC countries etc.

Production of Caustic Soda by electrolysis process is highly power intensive and your Company devised a sustainable strategy to meet its growing energy demands. Besides 90 MW Gas based Captive Co-generation Power Plant and participation in a 145 MW Joint Captive Gas based Power Plant of GIPCL, your Company has taken major initiative for green energy by setting up Wind Farms for a total installed capacity of 171.45 MW as on 31st March 2022. Your Company has already installed 35 MW of Solar Power Plant. With this, the aggregate renewable energy capacity is 206.45 MW including 171.45 MW of Wind Power capacity. Your Company has also installed floating Solar Power Plant having capacity of 640 kw and Solar Rooftop installations having 220 kw Solar Rooftop installations at Dahej complex.

BUSINESS, OPERATIONS & FINANCIAL PERFORMANCE

The total production (excluding power generation) has increased by 6.93% to 17,18,835 MT during the Financial Year 2021-22 from 16,07,469 MT in previous year. The



Production of Caustic Soda Lye, Potassium Hydroxide, Caustic Potash Flakes, Hydrogen Peroxide, Phosphoric Acid, Aluminium Chloride, Poly Aluminium Chloride, Sodium Chlorate Granules and Chlorotoluene has increased during the Financial Year 2021-22 as compared to the previous year.

However, the production of Caustic Soda Flakes, Caustic Soda Prills, Chloromethanes, Potassium Carbonate, Chlorinated Paraffin Wax, Stable Bleaching Powder and Anhydrous Sodium Sulphate has decreased during the Financial Year 2021-22 as compared to the previous year.

During the Financial Year 2021-22, your Company on standalone basis has achieved Net External Sales of Rs.3,683.40 Crores as against Rs.2,344.49 Crores in the previous year.

Your Other Operating Income, for the financial year 2021-22 had been Rs.75.33 Crores as against Rs.84.99 Crores in the previous year and the Other Income decreased to Rs.46.39 Crores from Rs.67.45 Crores in the previous year. The Other income includes Rs.16.94 Crores towards interest income and Rs.19.19 Crores towards dividend income.

Your Company could achieve Earning Per Share of Rs.76.53 as on 31.03.2022, as compared to Rs.22.72 as on 31.03.2021. Cash Earning Per share was Rs.139.77 as on 31.03.2022, as compared to Rs.55.85 as on 31.03.2021. Book value of Share has improved to Rs.623.51 per share as on 31.03.2022, as compared to Rs.556.54 per share as on 31.03.2021. The Return on Capital Employed achieved at 15.15% as on 31.03.2022, as compared to 5.10% as on 31.03.2021. During the year, your Company has raised fresh ECB loan for ongoing project which resulted into increase in total debt level to Rs.593.34 Crores as on 31.03.2022 as compared to Rs.496.92 Crores as on 31.03.2021, which resulted into increase in the Debt : Equity ratio to 0.13 : 1 as on 31.03.2022, as compared to 0.12 : 1 as on 31.03.2021.

The overall Raw Material expenses have increased to Rs.1,278.54 Crores during the financial year as compared to Rs.926.20 Crores for the previous year, mainly due to increase in production of Caustic Soda Lye, Potassium Hydroxide, Caustic Potash Flakes, Hydrogen Peroxide, Phosphoric Acid, Aluminium Chloride, Poly Aluminium Chloride, Sodium Chlorate Granules and Chlorotoluene as well as increase in procurement cost of major Raw Materials like Salt, Sulphuric Acid, Toluene, Aluminium Ingots, Methanol Commercial Grade and Natural Gas. Electricity charges have increased by 48.31% to Rs.610.14 Crores during the Financial Year from Rs.411.39 Crores in the previous Financial Year mainly due to Unfavourable quantity variance & Unfavourable price variance.

The cost of Fuel, Natural Gas and Water charges increased to Rs.128.91 Crores during the Financial Year from Rs.84.69 Crores in the previous Financial Year due to increase in procurement cost of Natural Gas. Employees' remuneration has increased to Rs.271.93 Crores during the financial

year from Rs.233.19 Crores in the previous financial year mainly due to Wages & Pay revision of employees in the current year and provisioning requirement as per Ind-AS 19. Depreciation and amortization expense has increased to Rs.197.78 Crores during the financial year from Rs.174.36 Crores in the previous year due to depreciation on routine capital expenditure during the current financial year. Other expenses have increased by 17.99% to Rs.480.97 Crores during the Financial Year from Rs.407.63 Crores in the previous Financial Year. The Finance cost has decreased to Rs.6.15 Crores during the Financial Year from Rs.15.46 Crores in the previous Financial Year.

EBITDA has increased to Rs.1,032.56 Crores in Financial Year 2021-22 from Rs.425.62 Crores in the previous year. The Profit after finance cost but before depreciation and amortization (Cash Profit) has increased to Rs.1,026.41 Crores in Financial Year 2021-22 from Rs.410.16 Crores in the previous year. Your Company has achieved Profit Before Tax of Rs.828.63 Crores for the Financial Year 2021-22 as compared to Rs.235.80 Crores of the previous year. The Profit After Tax for the year increased to Rs.561.98 Crores as compared to Rs.166.85 Crores of the previous year.

At Consolidated Level, EBITDA has increased by 142.71% to Rs.1,030.34 Crores during the year 2021-22 from Rs.424.51 Crores in previous year. Profit Before Tax has increased by 252.13% to Rs.826.41 Crores during the year 2021-22 from Rs.234.69 Crores in previous year. Profit After Tax has increased by 237.73% to Rs.559.76 Crores during the year 2021-22 from Rs.165.74 Crores in previous year.

KEY FINANCIAL RATIOS

Key Financial Ratios (Standalone) for the Financial Year ended 31st March, 2022, are provided here-below:

Ratio	Unit	FY 2021-22	FY 2020-21	% Inc. / (Dec.)
Debtors Turnover	Times	12.45	7.07	76.10
Inventory Turnover	Times	9.10	8.49	7.18
Interest Coverage	Times	168.00	27.53	510.24
Current Ratio	Times	1.49	1.78	(16.29)
Debt Equity Ratio	Times	0.13	0.12	8.33
Operating Profit Margin	%	28.03	18.15	9.88
Net Profit Margin	%	15.26	7.12	8.14
Return on Net Worth	%	12.97	4.14	8.83

Debtors Turnover ratio has increased by 76.10% mainly due to increase in net External Sales, Interest Coverage ratio has increased by 510.24% mainly due to increase in EBITDA, Return on Net Worth has increased by 8.83% mainly due to increase in Profit After Tax.

RESEARCH AND DEVELOPMENT

The R&D efforts are directed on the specific areas strategically linked with the need of organization. R&D efforts can lead to improved productivity that helps increase margins, further creating an edge in outpacing competitors. The work

is being pursued on the development of new product / process, import substitutes, process improvement / cost reduction, cooling water treatment chemicals / formulations, effluent treatment / control, waste utilization, developmental work on the existing products for improving the quality and marketability and to facilitate the absorption of new technologies.

During the year under review, US patent and Indian patent office have granted patent of Hydrazine Hydrate. Your Company is also working on waste utilization projects like, regeneration of Spent Alamine-336. Spent Alamine generated from Phosphoric Acid Plant to get dual benefit in terms of environmental as well as monetary and also developed the indigenous raw material (Alamine-336) instead of imported to have better control on the process. The indigenous Alamine developed by R&D and field trials is successfully completed.

The work on cooling water treatment including the technical support in respect of corrosion and microbiological growth monitoring was carried out successfully. The R&D department also supports new upcoming projects in terms of cooling water treatment and technical support with our inhouse developed formulation. The R&D Department prepared and supplied disinfectant solutions (Hypo. base) during the COVID-19 spread, for sanitizing the premises of organisation and also provided to our customers as per their needs. Necessary technical support provided to the various Departments in the Company, which resulted in to the overall fruitful benefits.

EXPANSION AND DIVERSIFICATION

As a part of its ambitious growth plan, your Company has taken up various projects, which include adding a new product in the product portfolio as well as expanding the current product lines by putting up additional capacities through new plants.

A plant for manufacturing 10,000 TPA of Hydrazine hydrate as well as a new 1,05,000 TPA Chloromethanes Plant, being put-up at two different locations at Dahej, are expected to be operational by second quarter of 2022-23. Hydrazine Hydrate is a new, import substitute product, whereas in case of Chloromethanes, it is capacity addition to the similar products being manufactured at Vadodara Complex.

Your Company is also expanding its Caustic Soda Production Capacity at Dahej from 785 TPD to 1310 TPD. Out of total 525 MT capacity expansion, 40 MT is already commissioned through reconfiguration of old plant and balance capacity will be commissioned progressively during the second quarter of 2022-23. A 65 MW Coal based Power Plant at Dahej is also being considered to be put up. Your Company is also putting up a 33,870 TPA Food Grade Phosphoric Acid plant at Dahej which is expected to be operational by third quarter of 2022-23.

Your Company, as a long-term strategic measure, to enhance its in-house chlorine consumption, has planned to put-up a 30,000 TPA Chlorotoluene Project at Dahej to produce benzyl chloride, benzaldehyde and benzyl alcohol, which

is planned to be made operational during the Financial Year 2024-25.

Your Company has formed a Joint Venture with M/s. NALCO for putting up a new 800 TPD Caustic Soda Plant integrated with a 130 MW Coal based Power Plant at new complex, D-II/9 at Dahej. The JV Company (GACL-NALCO Alkalies & Chemicals Pvt. Ltd.) (GNAL) was incorporated in December 2015. GNAL had successfully commissioned one of the Caustic Evaporation Units (CEU) on 30th March 2022, and had produced 100 MT Caustic Soda Lye - Rayon grade, and had declared the partial commissioning of Caustic Soda plant. Further, GNAL had also successfully commissioned Unit #1 of 2x65 Captive Power Plant in May, 2022 together with two out of eight electrolyzers of Caustic Soda Plant. The entire project comprising of 800 TPD Caustic Soda Plant and 2 x 65 MW Power Plant is expected to be fully operational by third quarter of Financial Year 2022-23.

In order to continue promoting Green technology and to meet the Solar Renewable Purchase Obligations, your Company has already installed 35 MW of Solar Power Plant and 171.45 MW of Wind Power Plants, with an aggregate renewable energy capacity of 206.45 MW. The captive use of the power from these installations has been providing benefits of lower power cost to your Company for its power intensive operations.

Your Company and NTPC Renewable Energy Limited (NTPC REL), a wholly owned subsidiary of NTPC Limited have signed Memorandum of Understanding (MoU) on 6th July 2022 to explore the business opportunities of mutual interest in the areas of sourcing of renewable power having optimum mix of solar, wind and other clean energy including energy storage solutions to the extent of about 100 MW, as required for the operations and manufacturing of GACL at Vadodara Complex and/or Dahej Complex or any of its other Complexes and to jointly work on synthesizing Green Chemicals such as Methanol and Ammonia for captive use by GACL using Hydrogen and CO₂ available at GACL.

The Hon'ble Prime Minister has launched a Roadmap for 20% Ethanol Blending in Petrol by 2025, with a view to reduce import of crude oil and save valuable foreign exchange. In response to the Hon'ble Prime Minister of India's call for 'Atmanirbhar Bharat', your Company and GAIL (India) Limited (GAIL) have signed Memorandum of Understanding (MoU) for setting up a 500 KLD Bioethanol plant in Gujarat. The estimated project cost is to the tune of Rs.1,000 Crores and it is expected to generate annual revenue of approximately Rs.1500 Crores. A Term Sheet for the same has been executed between the Parties. A Detailed Feasibility Report (DFR) is under preparation. Based on outcomes of the DFR and other conditions precedents, both the Parties will mutually decide to enter into a definitive agreement(s).

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The operations of your Company are under one segment only i.e., Chemical Manufacturing. The total production



(excluding power generation) of your Company has increased by 6.93% to 17,18,835 MT during the Financial Year 2021-22 from 16,07,469 MT in previous year.

Product-wise production details are given in back side of the cover page of the Annual Report. Further, the quantitative product-wise data relating to production and sales for last ten years are also given in the Annual Report.

OPPORTUNITIES & THREATS, RISKS & CONCERNS

The strengths of your Company are economies of scale, state of the art eco-friendly technologies, extensive usage of renewable energy, integrated downstream plants, strong network for Marketing and Distribution, In-house Research and Development facilities, proximity to major raw material source and markets etc. Economical power supply has remained a major area of concern for your Company, during the year under review, the power cost has increased as compared to previous year due to increase in power generation cost from captive power plant & due to increase in demand charges by GIPCL & power purchased from NTPC and DGVCL.

Your Company has followed a business plan for growth and could sustain operating performance. Your Company has continued to concentrate both on top line and bottom line. The increase in Net External Sales by 57.11%, decrease in expenses related to purchase of traded goods by 69.04%, finance cost by 60.22%, insurance cost by 6.57% are the major factors contributing to the profitability of your Company, during the Financial Year 2021-22. However, due to decrease in other operating income, other income, increase in raw material consumption, natural gas consumption, Net External Electricity charges, water, fuel & Natural Gas costs, Employee Benefits Expense, Depreciation and Amortisation expense, Stores and Spare Parts consumed and Repairs & Maintenance Expense, Job-Work/Processing Charges, Packing Materials Cost and Other expenses, the profitability of your Company for the year under review was affected.

To augment its power resource with eco-friendly renewable energy in 2021-22, your Company's total Wind Energy Generation Capacity has now gone up to 171.45 MW. Your Company has already installed 35 MW Solar Power Projects for captive use with an aggregate renewable energy capacity of 206.45 MW & 640 kW (AC) Floating Solar Power Plant on the reservoir of captive power plant & 220 kW (AC) Solar Roof top Installations at Dahej Complex.

Dispute with Delhi Jal Board

An investigation was conducted by the Director General of the Competition Commission of India (CCI) against your Company, for alleged contravention of the provisions of Section 3(1) read with 3(3)(d) of the Competition Act, 2002, in respect of sales of chemical products to Delhi Jal Board (DJB). The Competition Commission of India vide its order dated 05.10.2017 imposed penalty Rs.1.88 Crores. Your Company had filed an Appeal before the

NCLAT Challenging the order of the CCI. The Hon'ble NCLAT through its order dated 04.12.2017 granted stay on the operation of the impugned order of the CCI subject to a deposit of 10% of the penalty amount. The Delhi Jal Board has filed its Reply to the Appeal. Your Company has also filed its Rejoinder to the Reply of the DJB. Your Company had submitted convenience compilation and Note of Submission before NCLAT. The Delhi Jal Board had also submitted their Note of Submission. Your Company believes that it had not indulged in any such activity.

Settlement of Dispute with Operational Creditor

Based on the settlement arrived between the Operational Creditor and your Company, the Operational Creditor filed the Withdrawal Application before the Hon'ble NCLT, which was disposed off as withdrawn during the year. Further, your Company had also withdrawn the Civil Suit filed against the Operational Creditor before the Hon'ble Court of Vadodara as a part of settlement agreement.

ECB LOAN

To part finance the cost of the expansion, your Company has from time to time availed following financial assistance by way of External Commercial Borrowing (ECB) instead of Rupee Term Loan with a view to minimize the interest outgo. These ECB Loans are not hedged, there being natural hedge available due to exports and considering low risk profile of your Company :

1. ECB loan of US \$ 30 Million equivalent to Rs.190.20 crores from The Hongkong and Shanghai Banking Corporation Limited (HSBC Bank) in F.Y. 2015-16.
2. ECB loan of US \$ 20 Million equivalent to Rs.133.25 crores from ICICI Bank Limited in F.Y.2016-17.
3. ECB loan of US \$ 68.70 Million equivalent to Rs.500.22 crores (Rs.362.35 Crores in F.Y. 2020-21 and Rs 137.87 Crores in F.Y. 2021-22) Crores from State Bank of India.

RISK MANAGEMENT

Your Company has constituted Internal Risk Management Committee comprising of Senior Executives of your Company who are heading respective departments viz. Finance, Manufacturing, Marketing, Purchase, Project, Safety, Information Technology, HR, Secretarial and Legal functions. The Managing Director is the Chairman of the Internal Risk Management Committee. The Internal Risk Management Committee reports to the Managing Director and the risks identified by the said Committee along with proposed mitigation actions are discussed periodically on quarterly basis with the Managing Director.

Your Company has constituted the Risk Management Committee of Directors w.e.f. 11th February, 2016. Shri Rajiv Lochan Jain has been appointed as the Chairman of the said Committee w.e.f. 28th September, 2018. As on 31st March, 2022, below are the Members of the Risk Management Committee:

1. Shri Rajiv Lochan Jain, Chairman;
2. Shri S B Dangayach;
3. Shri Nitin Shukla; and
4. Shri Harshad R Patel, IAS.

The said Risk Management Committee was renamed as "Risk Management-cum-Safety Committee" w.e.f. 10th November, 2016 by the Board. The existing Internal Risk Management Committee of Senior Executives of your Company continues to function. Out of the various risks identified by the Internal Risk Management Committee, the Audit Committee has identified certain critical risks, which are reviewed by the Risk Management-cum-Safety Committee, the Audit Committee and by the Board of Directors. A Report on the steps taken to mitigate those critical risks is also submitted to the Risk Management-cum-Safety Committee, Audit Committee and the Board of Directors.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has in place adequate internal financial controls commensurate with the size and nature of its business. Your Company periodically reviews the internal financial controls in the light of new statutes, changes in business models, adoption of new technology solutions and suggestions for improvements received from employees. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

For all amendments to Indian Accounting Standards (Ind-AS) and the new standards notified, your Company carries out a detailed analysis and presents the impact on accounting policies, financial results including revised disclosures to the Audit Committee. The Approach and changes in policies are also validated with the Statutory Auditors.

Your Company has a stated process and periodicity for physical verification of its inventory and fixed assets. Any variances are analysed and accounted post necessary approvals.

Your Company gets its financial statements reviewed every quarter by its Statutory Auditors. The accounts of GNAL are audited and certified by their Statutory Auditors for consolidation.

None of the auditors of the Company have reported any fraud as specified under second proviso of section 143 (12) of the Companies Act, 2013 including any statutory modifications or re-enactments thereof for the time being in force.

OUTLOOK

Your Company deals in marketing of Caustic Soda (Lye, Flakes & Prills), Liquid Chlorine, Hydrochloric Acid, Chloromethanes, Hydrogen Peroxide, Anhydrous Aluminum Chloride, Caustic Potash (Lye & Flakes), Potassium Carbonate (Powder & Granules), Phosphoric Acid, Poly Aluminum Chloride (various grade), Chlorotoluene, Sodium Chlorate, Chlorinated Paraffin etc. All the Plants are integrated in such a way that, part of finished product of

one plant is consumed as a raw material in other plant to produce further value added products.

Your Company, thus, enjoys some leverage over its competitors because of its forward integration philosophy. As a value addition to Hydrochloric Acid, we had commissioned Poly Aluminum Chloride (PAC) at our Vadodara (Coelho) Complex and therefore, we are able to capture sizable domestic market for various grades of PAC. The export of PAC (Powder) has also been increased, wherein realisations are promising.

The production of Stable Bleaching Powder (SBP) has been maximized, as a value addition to Chlorine at Dahej Complex. Because of the quality, consistent efforts for branding our SBP against existing brands and regional penetration in North & South market, we are successful in selling SBP among various segments like Water Treatment plants, Disinfection, Aquaculture etc., across India.

Moreover, additional capacity of Chloromethanes Plant at Vadodara is now on-stream towards captive consumption as well as value addition for Chlorine. We are successful in seizing the additional market for additional availability of MDC & Chloroform.

In addition to this, captive consumption of Hydrogen Gas is maximized through expanded Hydrogen Peroxide Plant, which is also fetching additional revenue.

Further, your Company has successfully optimized its Sodium Chlorate Plant at Dahej, which finds applications primarily in Paper & Pulp Industry for "Elemental Chlorine Free Bleaching".

Gujarat is predominantly an industrial state, which contains a number of large, medium & small business units in the Chemical, Petrochemical, Plastics, Textile, Fertilizer and other Industries. As part of market development, the emphasis is to interact with customers and develop new market for the products. Providing prompt after sales service as & when required is part of this strategy and this helps your Company to increase its volume especially for new products.

GACL is also exporting many of its products viz. Caustic Soda Flakes, Caustic Soda Prills, Potassium Carbonate, Potassium Hydroxide Flakes, Hydrogen Peroxide, Phosphoric Acid, liquid Chlorine, Aluminum Chloride, PAC, Hydrochloric Acid and CPW to Europe, West Asia, South-East Asia, Africa, Middle-East/Far East, SAARC countries etc.

Your Company is facing import threat and dumping of various products at low prices, which affects its capacity utilization, prices etc. and is pro-actively taking corrective action for imposition of Anti Dumping Duty within the WTO guidelines.

As, approx. 60% of the total production capacity of India is located in Western region, it has been observed that - there is 10-15% surplus supply available than the actual current demand in the region.

In order to cater the market of Eastern India, we have



successfully executed supplies of Caustic Soda Lye to M/s. National Aluminium Company Limited (NALCO) and M/s. Vedanta Limited, M/s. Utkal Alumina International Ltd in the tune of approx. 64919.70 MT respectively and in addition to this, we have exports approx. 13785 MT to bridge the demand-supply gap in Western India during Financial Year 2021-22.

The Ministry of Chemicals and Fertilizers, Department of Chemicals and Petrochemicals vide Order dated 15th June 2021 issued the Ortho Phosphoric Acid (Quality Control) Order, 2021 ("Order"). As per the said Order, your Company's product viz., Ortho Phosphoric Acid has been covered under the compulsory BIS certification under Indian Standard IS 798 : 2020 and should bear the Standard Mark under a licence from the Bureau of Indian Standards as per the Bureau of Indian Standards (Conformity Assessment) Regulations, 2018. Your Company's product i.e. Ortho Phosphoric Acid has been granted License by Bureau of Indian Standards, with effective from 24th November 2021. GACL is the first Indian Company to get license for Ortho Phosphoric Acid under this Compulsory Registration Scheme.

FOREIGN EXCHANGE EARNINGS AND OUTGO

GACL has taken pro-active approach for various activities related to increase Export volume, revenue and the development of new export markets for existing & new products.

In the current Financial Year also, your company targets at wider markets for export of various products with the help of company's accreditation of IS/ISO 9001, 14001, 18001 & 50001 as also registration of Benzyl Alcohol with 'REACH' while for Poly Aluminium Chloride registration have been made with NSF International, USA.

The details of foreign exchange earnings and outgo during the Financial Year 2021-22 are part of Board's Report at Annexure - I.

SAFETY & ENVIRONMENT

Our commitment to safety and preservation of environment has been encompassed in our "Quality, Health, Safety, Environment and Energy (QHSE En) Policy".

Your Company has implemented elaborate Environment Management System (EMS), Quality Management System (QMS), Occupational Health & Safety Management System (OH&S) and Energy Management System (EnMS) and has embarked on continual improvement. TUV(India) Pvt. Ltd. has granted ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018 and ISO 50001: 2018 Integrated Management System Certificates to your Company.

Your Company has continued its emphasis on safety awareness not only for its employees and contract labourers but also for customers handling our products and community in neighbourhood of our plants. Your Company regularly organizes public awareness programs in surrounding villages emphasizing the importance of safety and focusing on industrial hazards. Safety awareness programme for

the employees as well as for contract workers are also organized regularly. Your Company has also adopted a unique concept of "Plant Healthiness Check-up" to identify and address areas for improvement of the manufacturing facility.

Your Company has also its Emergency Response Plan (ERP) system to minimize effect of any Emergency situations. The ERP is also frequently reviewed and updated by considering various Maximum Credible Scenarios. Preparedness and response to this ERP is evaluated periodically by conducting various Mock-drills. Your Company regularly conducts safety audit through third-party.

Adequate steps have been taken for Pollution Control, Green Belt Development etc. besides due compliance with statutory requirements for the protection of environment. At the landfill site for our Vadodara Complex, green belt has been developed and maintained in 101171 sq. mts. of land. Your Company has also developed and maintained about 24000 sq. mts. green area inside the Plant area. In the field of water conservation, GACL has installed wastewater recycling RO Plant for converting wastewater into reusable water. Daily 400 to 500 M³ of wastewater is treated and converted to reusable water which is recycled back to the Plant.

In Dahej Complex, large area has been covered by development and maintenance of green belt, landscaping, flora & fauna, rainwater harvesting and natural ponds. Your Company has installed facility for recycling part of its liquid effluent stream, using ZLD principle in Dahej Complex. Your Company has undertaken water conservation by channelizing Cooling Tower Water Spillage, treated sewage and drip irrigation. Nearly 24,000 nos. of trees have been planted and 54.4-acre green belt developed.

Your Company regularly sends hazardous waste for co-processing to provide AFT (Alternate Fuel) and Raw Material for Cement Industries via pre-processing through third party.

The canteen and garden waste is being converted into organic manure through in-house vermi-composting facility on regular basis at both the Complexes.

GACL is one of the Promoters of Vadodara Enviro Channel Limited (VECL). VECL was formed by various nearby industries for the purpose of safe discharge of treated effluent in sea. Thus, entire treated liquid effluents of Caustic Soda & Coelho Complex are being discharged through VECL.

Gujarat Pollution Control Board (GPCB) had issued a closure direction to VECL under The Water Act 1974. VECL has submitted compliance report to GPCB vide letter dtd. 14.04.2022. No adverse comment is received from GPCB in the matter so far.

CORPORATE SOCIAL RESPONSIBILITY

During the year under review, your Company has continued to fulfill its Corporate Social Responsibilities to enhance Human Development Index (HDI) by undertaking thematic activities viz. (a) Promotion of Education and related activities

(b) Care for Special Children (c) Healthcare, Hygiene and Sanitation (d) Livelihood and skill development activities (e) Art, Culture and Heritage (f) Water Conservation and Environment related activities.

Promoting inclusive growth has been a priority for GACL from both a social and business perspective. Your Company strives to make a difference to its customers, to the society and to the nation's development directly through its products and services, as well as through its development initiatives and community outreach.

During the Financial Year 2021-22, your Company had carried out various CSR activities. For details on various CSR activities carried out during the Financial Year 2021-22, kindly refer Annexure-2 of Board's Report i.e. Annual Report on CSR activities.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES

Harnessing the incredible power of chemistry & people, GACL has embarked on a mission to produce the crème de la crème of chemical products in the country along with eco-friendly technology that provides value to the Industrial productions and common lives every day. Your Company's Human Resources Department identifies itself as the Process Department of People, it formulates strategies, executes human resource policies and practices which directly contribute to enhancing employee competencies and behaviours which would help Company reach greater heights.

Today all organizations are struggling to deal with external pressures such as globalization, aggressive competition and the increasing pace of change. This is compounded by internal pressures to lower costs, ability to strategize effectively, demonstrate business impact and maintain accountability for results. The only way to counter all of this is by developing a talent and leadership pool that acts as a path paver for achieving greater results. For this, your company has Succession Planning in place for its Senior Management Personnel.

As the organization gets older, clock begins to tick for the old generation of employees to retire and a new generation of employees to step in. This comes with a lot of challenges — along with that of retention — as the Nextgen performers are eager to expand their horizons and enhance their capabilities. Hence, we at GACL have developed an indigenous platform of Learning Management System (LMS), customised to cater organisational needs for skill development through upskilling and reskilling at all levels. This platform provides knowledge sharing opportunities from experienced technocrats and enables young entrants to gain life-long learning opportunities with innovation.

'Welfare of each is bound up in the welfare of all'. We at GACL see to it that our policies reach not only the employees but their families as well. We have one of the best of Medical schemes, such as Covid welfare facility, Children education fund, Post-retirement Medical Insurance, Housing Loan Insurance, Extra leave & Flexi leave benefit

for Maternity and so on for all category of employees. Our separation benefits are the most lucrative that ensures social security beyond statutes. GACL is one family when it comes to Welfare & Wellness.

GACL HR operates in allyship at workplace, for every employee-oriented processes there is a committee consisting of members from all category of employees from helpers to Executive Director level to collaborate and maintain harmonious Industrial Relations.

HR Digitization, HR policies, transparency towards and active participation of employees has made it possible for GACL to keep the pace of exponential growth and establish a culture of esprit de corps. Even at the time of adversity of pandemic/lockdown, Operations & Business were running with the same zeal of catering to the society. Your company also achieved remarkable record of nearly 15,000 training hours (Virtual & Offline) during the year under review, which reflects its people orientation and its aim to become a learning organisation in near future by nurturing knowledge and paving a way for innovation, making GACL truly an idea-land of Chemical Companies.

AWARDS AND RECOGNITIONS

Your Company is a proud recipient of 17th National Award of Institute of Cost Accountants of India for the Excellence in the Cost Management-2019. Significantly, winning this prestigious recognition is a rare distinction achieved by GACL as it has won this National Award consecutively three years, 2017, 2018 and 2019 under the category Manufacturing – Public – Medium. Conferred by The Institutes of Cost Accountants of India (ICAI – CMA) this honour is awarded in recognition of Excellence in the Cost Management Practices adopted by GACL. Your Company firmly believes that Effective Cost Management enables the management in achieving the desired Cost Competitiveness for Various Products. Award function for 17th National Award for Excellence in the Cost Management -2019 was held on 20th April 2022 in New Delhi. The award was handed over by the Honourable cabinet minister Shri Piyush Goyal Ji.

GACL has also been felicitated & bestowed upon the Award with the Certificate of Merit by the GST Department, Ministry of Finance, Government of India on 1st July, 2022 for Best Compliance on the occasion of completion of 5 years of the GST Era. This Award is significant as the GST is evolving day by day & is not settled the way, the Income Tax Law is.

Your Company is a proud recipient of "HR Corona Warriors Award" on 1st August, 2021 from Society of Human Resource Professional (SHRP) in recognition of Impactful Contribution during Covid-19 Pandemic.

Your Company also stood 1st Runners-up in "Annual Award for Outstanding Young Managers" by Baroda Management Association in March, 2022.

INFORMATION TECHNOLOGY

At GACL, we are constantly enabling business with innovative



solutions and technologies to have a seamless collaboration between people and systems and reduce manual efforts. This helps in smooth processing of transactions and provides insights to facilitate quick decision making. More importantly users are provided with adequate training to use the systems. IT infrastructure is upgraded and modified to enable your Company to execute business in usual manner without disruptions.

CAUTIONARY STATEMENT:

The Company assumes no responsibility in respect of forward looking statements, expectations and assumptions herein which may undergo changes in future on the basis

of subsequent development, information, or unforeseen circumstances or force majeure events. This shall not be considered as investment guidance or advice or invitation. The readers are advised to make their own independent assessment and judgement.

For and on behalf of the Board

Sd/-

**(PANKAJ KUMAR, IAS)
CHAIRMAN**

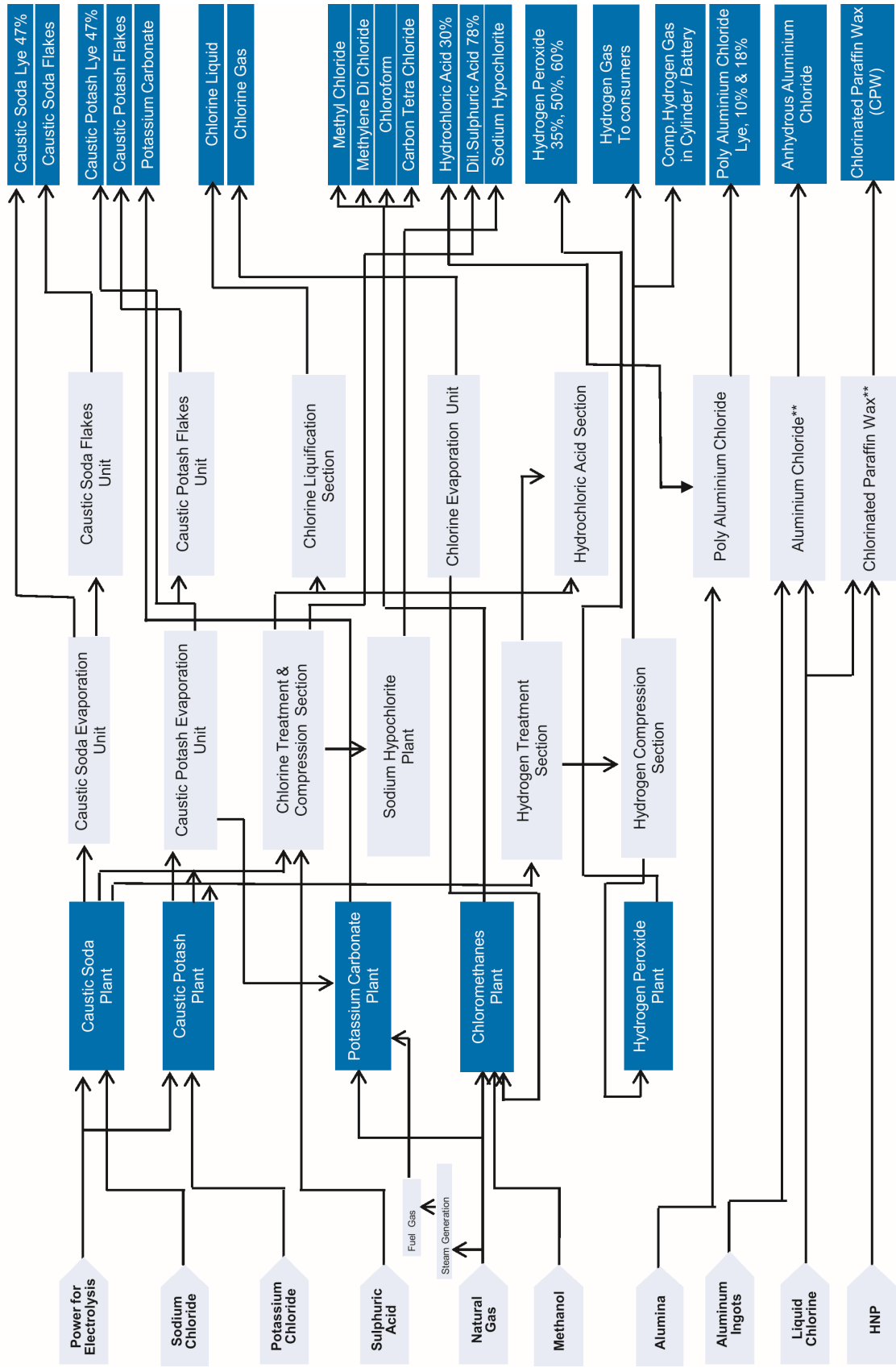
Place: Gandhinagar

Date : 4th August, 2022

QUANTITATIVE DATA FOR TEN YEARS

PARTICULARS	UNIT	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
PRODUCTION :											
CAUSTIC SODA LYE	MT	454765	417312	436445	432407	403090	403847	384925	383834	379846	364733
CAUSTIC SODA FLAKES	MT	101133	115813	123754	122267	108214	125994	127376	124531	134593	137958
CAUSTIC SODA PRILLS	MT	16040	21165	17596	11330	8595	5981	9104	9237	17406	14976
CHLORINE GAS / LIQUID	MT	427107	392465	406039	398762	372361	372420	355921	353295	348380	333206
HYDROCHLORIC ACID (30%)	MT	329277	299100	324769	310216	374675	377866	341220	338211	326429	303920
CAUSTIC POTASH LYE	MT	38268	35959	30615	24761	24087	23120	23540	20915	18728	15906
POTASSIUM CARBONATE	MT	10806	11620	8782	7872	7870	8512	8058	5912	7001	6476
CAUSTIC POTASH FLAKES	MT	22054	19992	16983	13508	13263	12115	13323	13025	10234	7867
CHLOROMETHANES	MT	55860	58100	58020	51325	32742	36097	38000	38530	37888	34417
SODIUM CYANIDE	MT	-	-	-	-	-	-	102	1549	1898	1844
PHOSPHORIC ACID (85%)	MT	28459	25054	27700	27555	27418	27517	27392	25732	25075	24125
HYDROGEN PEROXIDE (100%)	MT	57027	49336	55819	48414	45017	45318	43028	38127	29039	31329
ALLUMINIUM CHLORIDE	MT	55059	44419	37417	37494	35085	33887	31265	29573	29189	23823
CALCIUM CHLORIDE	MT	-	-	-	-	-	-	-	6889	9169	8204
POLY ALUMINIUM CHLORIDE (18%)	MT	65872	59661	66198	51919	37989	35775	33481	30022	27792	25903
CHLORINATED PARAFFIN WAX	MT	2542	4662	5370	5621	3572	3267	3911	7860	8004	8577
CHLORO TOLUENE PRODUCTS	MT	16562	14094	10010	11606	9134	8451	7873	6570	6154	4821
STABLE BLEACHING POWDER	MT	16208	19705	17107	17030	16200	12830	10108	8999	9006	6456
SODIUM CHLORATE	MT	21144	17917	19200	20006	20118	17575	11570	4977	22	-
ANHYDROUS SODIUM SULPHATE	MT	652	1096	1019	-	-	-	-	-	-	-
POWER GENERATION	MU KWH	444.05	563.01	458.06	365.99	361.86	336.00	258.56	199.82	354.68	475.33
POWER GENERATION - WIND FARM	MU KWH	314.50	265.25	366.95	387.15	357.76	340.38	259.28	207.63	173.79	184.54
POWER GENERATION - SOLAR	MU KWH	60.02	63.14	44.11	19.08	-	-	-	-	-	-
SALES :											
CAUSTIC SODA LYE	MT	327402	278314	283701	293465	271296	268563	244492	237720	222274	193874
CAUSTIC SODA FLAKES	MT	101428	116767	122587	122462	108332	125884	128870	125811	136076	135119
CAUSTIC SODA PRILLS	MT	16049	21602	17843	11089	8120	5954	9146	9764	16828	15481
CHLORINE GAS / LIQUID	MT	342159	311205	315864	315744	261712	276816	273103	268066	265875	257897
HYDROCHLORIC ACID(30%)	MT	285520	257636	288589	277197	336680	343044	302874	301045	291099	270689
CAUSTIC POTASH LYE	MT	8343	6850	7110	5049	5208	4231	3828	3637	2886	3420
POTASSIUM CARBONATE	MT	11227	10996	9066	7624	8128	8627	7152	6414	6379	7250
CAUSTIC POTASH FLAKES	MT	22129	19880	17290	13188	13573	12299	12983	13104	10041	8401
CHLOROMETHANES	MT	56060	58265	58478	50379	33715	35786	37923	39990	39360	32401
SODIUM CYANIDE	MT	0	0	0	0	0	0	280	1448	1854	1911
PHOSPHORIC ACID (85%)	MT	28542	24861	28066	27636	28154	27180	27029	27228	24312	25656
HYDROGEN PEROXIDE (100%)	MT	57191	49373	55953	48410	44132	45264	43856	37735	28932	31018
ALLUMINIUM CHLORIDE	MT	56655	42311	37886	36759	35358	35066	31112	29988	29095	25114
CALCIUM CHLORIDE	MT	0	0	0	0	0	0	1500	7376	8799	8995
POLY ALUMINIUM CHLORIDE	MT	60647	53018	65778	48651	36584	37774	35337	29647	28394	26530
CHLORINATED PARAFFIN WAX	MT	2339	4762	5268	5592	3688	3259	3798	8410	7501	8611
HYDROCHLORIC ACID - CP	MT	3944	7646	8609	8980	5936	5559	6489	13193	13595	14559
BENZYL CHLORIDE	MT	8475	6480	4475	4744	3391	3467	2955	2698	2447	2067
BENZYL DEHYDE	MT	2495	2350	1946	1654	1555	1364	1170	968	744	547
BENZYL ALCOHOL	MT	5690	5252	4488	4421	4433	3649	3519	3062	2704	2626
HCL FROM HBC	MT	23586	20376	14472	15971	13033	12087	14710	11701	12024	7164
SODIUM CHLORATE	MT	21186	18222	18850	20151	20121	17667	11389	4879	-	-
STABLE BLEACHING POWDER	MT	16283	19545	17137	16949	16203	12990	9981	8998	8984	6476
ANHYDROUS SODIUM SULPHATE	MT	667	1092	1068	-	-	-	-	-	-	-
POWER TO GRID	MU KWH	34.49	34.66	50.01	40.87	38.93	7.83	10.21	5.91	13.26	33.90
SALES VOLUME (EXCL. INTER-UNIT)	Rs./Cr.	3683.40	2344.49	2654.20	3102.32	2417.70	2020.25	1955.97	1931.81	1882.85	1794.31

VADODARA COMPLEX WITH UNIQUE - PRODUCT MIX



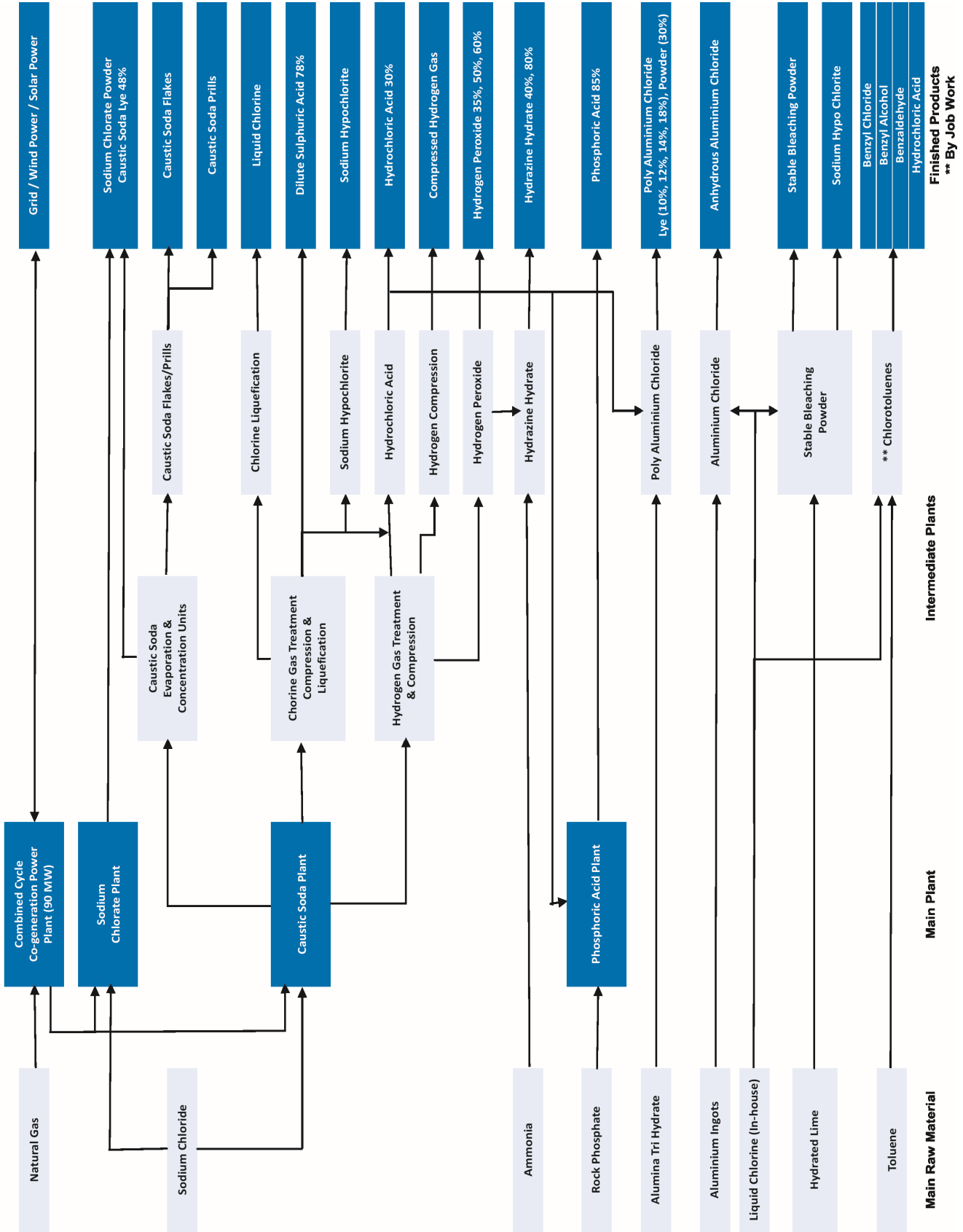
Finished Products
** By Job Work

Intermediate Plants

Main Plant

Main Raw Material

DAHEJ COMPLEX WITH UNIQUE - PRODUCT MIX

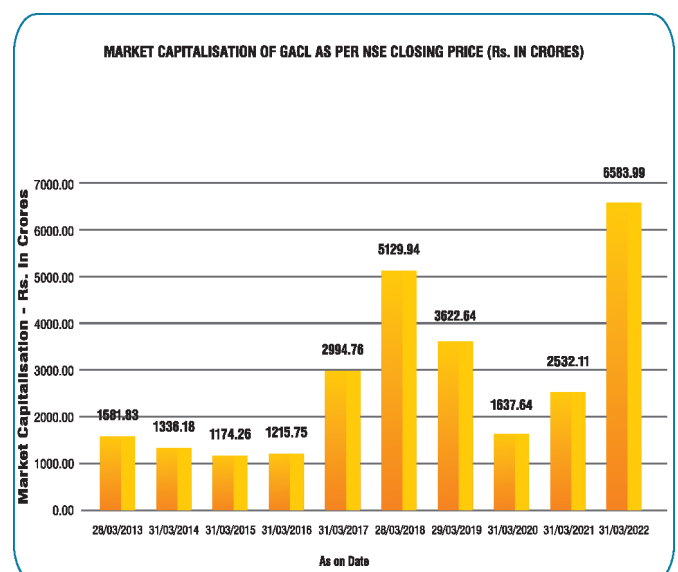
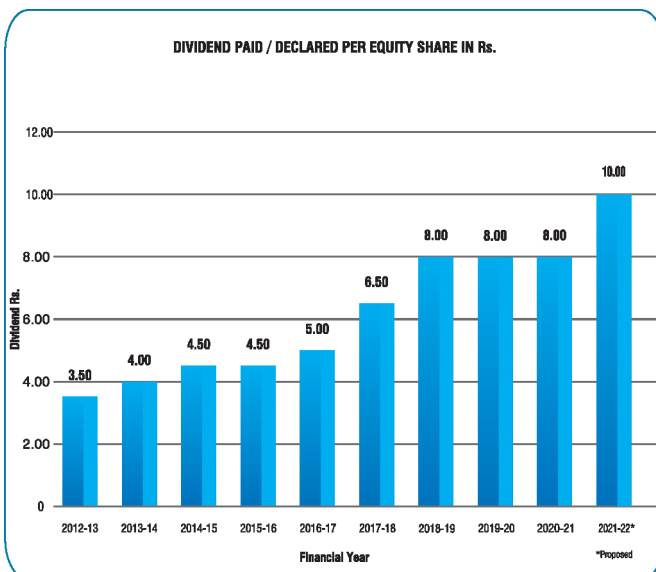
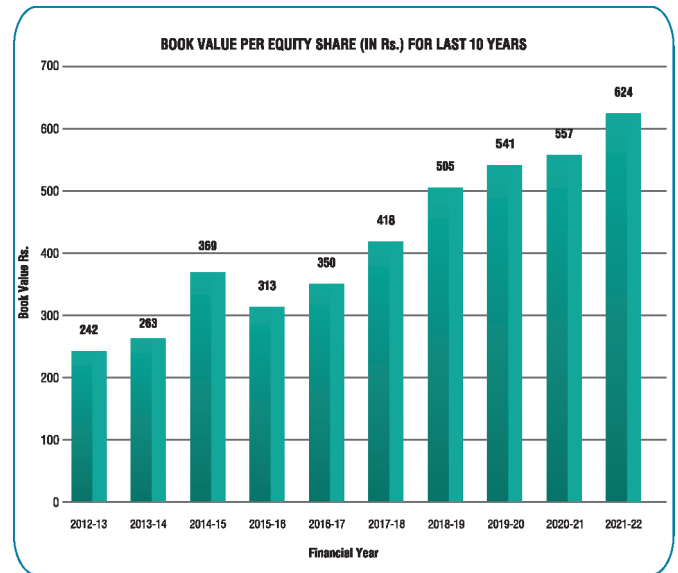
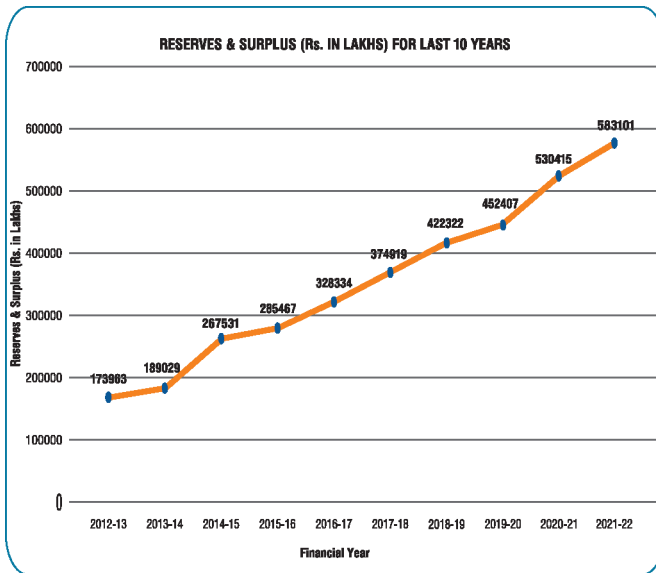




STANDALONE FINANCIAL HIGHLIGHTS OF TEN YEARS

PARTICULARS	2021-22	2020-21	2019-20	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
OPERATING RESULTS										
	(Rs. in Lakhs)									
GROSS INCOME / TOTAL REVENUE	3,80,513	2,49,694	2,81,437	3,22,215	2,61,964	2,35,844	2,26,462	1,99,707	1,92,632	1,83,330
EBITDA	1,03,256	42,562	66,749	1,17,593	89,244	50,554	38,007	32,287	40,373	51,402
FINANCE COSTS	615	1,546	1,404	2,094	1,490	1,283	993	933	635	834
DEPRECIATION AND AMORTIZATION EXPENSE	19,778	17,436	16,183	13,997	12,732	11,092	10,744	9,806	15,065	15,152
PROFIT/(LOSS) BEFORE INVESTMENT ALLOWANCE	82,863	23,580	49,162	101,502	75,022	38,178	26,270	21,548	24,673	35,416
RESERVE & TAXATION										
PRIOR PERIOD ADJUSTMENTS (NET)	-	-	-	-	-	-	-	-	18	14
OTHER EXCEPTIONAL ITEM	-	-	-	-	-	-	-	-	-	1,719
PROFIT/(LOSS) BEFORE TAX	82,863	23,580	49,162	101,502	75,022	38,178	26,270	21,548	24,655	33,683
PROVISION FOR TAXATION :										
- CURRENT INCOME TAX-MAT	-	-	-	-	-	8,140	5,425	4,333	-	-
- DEFERRED INCOME TAX	(456)	1,682	3,444	4,456	3,335	4,424	4,003	(1,195)	1,358	882
- PROVISION FOR TAXATION INCLUDING WEALTH TAX	26,947	5,662	12,357	26,938	18,481	-	-	-	6,730	10,238
- MAT CREDIT ENTITLEMENT	-	-	-	-	-	(5,196)	(5,147)	(4,333)	-	-
- EXCESS PROVISION FOR INCOME TAX OF EARLIER YEARS WRITTEN BACK	174	(449)	77	1,143	(296)	-	-	(43)	(1,935)	(972)
PROFIT/(LOSS) AFTER TAX	56,198	16,685	33,284	68,965	53,502	30,810	21,989	22,786	18,502	23,535
OTHER COMPREHENSIVE INCOME	2,363	67,198	3,879	(15,808)	(2,498)	16,035	(76)	-	-	-
TOTAL COMPREHENSIVE INCOME	58,561	83,883	37,163	53,157	51,004	46,845	21,913	22,786	18,502	23,535
SOURCES AND APPLICATION OF FUNDS										
	(Rs. in Lakhs)									
SOURCE OF FUNDS :										
SHARE CAPITAL	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344	7,344
RESERVES & SURPLUS	5,83,101	5,30,415	4,52,407	4,22,322	3,74,919	3,28,334	2,85,467	2,67,531	1,89,029	1,73,963
BORROWINGS (NET)	59,334	49,692	13,924	18,751	23,414	29,118	22,522	9,238	15,589	21,065
OTHER LONG TERM LIABILITIES	67	68	69	-	-	-	-	-	-	1,781
LONG TERM PROVISIONS	14,902	11,253	10,421	9,688	9,071	8,050	7,030	6,464	4,936	4,275
DEFERRED TAX (NET)	64,438	62,186	52,522	44,591	35,098	30,642	32,537	33,348	33,632	33,471
TOTAL FUNDS EMPLOYED	7,29,186	6,60,958	5,36,687	5,02,696	4,49,846	4,03,488	3,54,900	3,23,925	2,50,530	2,41,899
APPLICATION OF FUNDS :										
FIXED ASSETS (GROSS)	5,50,384	4,51,753	3,70,676	3,09,787	2,68,988	2,44,571	2,00,897	3,63,654	3,44,305	3,42,157
DEPRECIATION	1,01,485	82,125	65,176	49,017	33,375	22,151	10,507	1,90,880	1,79,825	1,65,716
FIXED ASSETS (NET)	4,48,899	3,69,628	3,05,500	2,60,770	2,35,613	2,22,420	1,90,390	1,72,774	1,64,480	1,76,441
INVESTMENTS	2,11,474	2,09,534	1,24,414	1,06,634	1,14,716	1,01,716	85,467	84,426	18,184	17,233
LONG TERM LOANS AND ADVANCES	2,540	2,456	2,260	2,264	2,030	2,049	1,989	1,948	18,388	3,436
OTHER NON-CURRENT ASSETS	28,213	30,407	19,957	22,671	17,606	17,319	22,883	19,277	2,126	4,158
CURRENT ASSETS (NET)	38,060	48,933	84,556	1,10,357	79,881	59,984	54,171	45,500	47,352	40,631
TOTAL FUNDS APPLIED	7,29,186	6,60,958	5,36,687	5,02,696	4,49,846	4,03,488	3,54,900	3,23,925	2,50,530	2,41,899
DEBT EQUITY RATIO (TIMES)	0.13 : 1	0.12 : 1	0.04 : 1	0.05 : 1	0.08 : 1	0.11 : 1	0.10 : 1	0.03 : 1	0.08 : 1	0.12 : 1
AMOUNT PER EQUITY SHARE OF RS.10/-										
	(In Rs.)									
EARNING PER SHARE	77	23	45	94	73	42	30	31	25	32
SALES PER SHARE	502	319	361	422	329	275	266	263	256	244
DIVIDEND	10.00	8.00	8.00	8.00	6.50	5.00	4.50	4.50	4.00	3.50
BOOK VALUE	624	557	541	505	418	350	313	369	263	242
MARKET PRICE :										
HIGH	926	387	595	792	932	434	210	237	222	217
LOW	338	215	180	416	380	162	143	155	141	115

FINANCIAL HIGHLIGHTS (ON STANDALONE BASIS)





CORPORATE GOVERNANCE REPORT

The disclosure report on compliance of Corporate Governance in accordance with the provisions contained in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46, 34(3) and Schedule V Para C, D, E and other relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") is set out below:

A. MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

At Gujarat Alkalies and Chemicals Ltd. ("GACL"), the Corporate Governance philosophy stems from the belief that good and sound Corporate Governance practices are necessary for sustainable business that aims at generating long-term value for all the stakeholders. As a value-driven organization, it has adopted a transparent, ethical and robust Governance framework, which helps enhance efficiency as an important catalyst in driving business growth across all parameters and boost stakeholders' confidence. Our Corporate Governance principles are fairness, transparency, ethical processes and good practices. The core values of the organization include Safety & Environment, Quality, Trust, Social Responsibility, Leadership and Excellence.

GACL recognizes the importance of transparency and integrity in dealing at all levels. The Company believes that the goodwill resulting from implementing a code of business ethics will, in perpetuity, translate into economic gains. Stakeholders rate on higher scale those companies that are managed properly and have better Corporate Governance, which ensures the optimum usage of the human, physical and financial resources of an enterprise. We have integrated ethics into our corporate culture and we concentrate on putting appropriate Corporate Governance mechanisms in place. The Company has intertwined the ethical and social elements with its operating philosophy business model. The Corporate Social Responsibility of the Company is the unmistakable deliberate inclusion of public interest into corporate decision making and honoring the Mother Nature besides the interests of the other stakeholders. The Company achieves its objective of being socially responsible through sustainable business practices, by meeting or exceeding the expectations of all its stakeholders, including neighboring villages.

2. BOARD OF DIRECTORS:

2.1 COMPOSITION OF THE BOARD :

The Board of Directors of the Company comprises of total seven (7) Directors as on 31st March, 2022. The Managing Director is an Executive and Non-Independent Director. All other Directors are Non-Executive Directors out of which, three (3) Directors are Independent Directors.

The Board as on 31.03.2022 comprise of members, who have accounting or related financial management expertise, chemical expertise and expertise in the field of management & administration. The brief profile of the Directors on Board are as under :

Shri Pankaj Kumar, IAS, Chairman, Non-Executive Director: Shri Pankaj Kumar, IAS is the Chief Secretary of Gujarat State. Shri Pankaj Kumar is a Senior IAS Officer of 1986 batch. He has done his B. Tech (Civil Engineering) from IIT, Kanpur and MBA (Public Policy & Management) from ICPE, Ljubljana.

He has wide experience in various departments such as Revenue, Home, Health and Family Welfare, Agriculture and Disaster & Relief Management in various capacities. He has also served in state PSUs like Gujarat Maritime Board ("GMB"), Gujarat State Road Transport Corporation, Gujarat Mineral Development Corporation etc. He worked as Collector and DDO in several districts as well. He also served as Addl. Principal Secretary to Hon'ble Chief Minister, Gujarat. He worked as Additional Chief Secretary, Home Department, Government of Gujarat before his appointment as Chief Secretary.

He led series of reforms in Revenue Department including development of online portal iORA that facilitated online Non-Agricultural (NA) permission and Land Premium Payment notably. He had fostered changes in working culture to be more open, transparent, and accountable. He had also extensively used Social Media in governance specially during National Disasters. He has been assigned the task to guide and supervise Health & Family Welfare Department for entire work relating to Covid-19 activities for the State of Gujarat.

In addition to his responsibility as Chief Secretary of the State, he is also Chairman & Managing Director of Gujarat State Petronet Limited and Chairman of Gujarat State Petroleum Corporation Limited, Gujarat State Fertilizers & Chemicals Limited, Gujarat Narmada Valley Fertilizers & Chemicals Limited, Gujarat Maritime Board and Gujarat Gas Limited, GSPL India Gasnet and GSPL India Transco.

Directorships in other Listed Companies as on 31.03.2022:

Sr. No.	Name of the Company	Position
1.	Gujarat State Petronet Limited	Chairman & Managing Director
2.	Gujarat Narmada Valley Fertilizers & Chemicals Limited	Chairman
3.	Gujarat Gas Limited	Chairman
4.	Gujarat State Fertilizers & Chemicals Limited	Chairman

Shri M K Das, IAS, Non-Executive Director: Shri M K Das is a Senior IAS Officer of 1990 batch. He has done B.Tech (Computer Science) from IIT- Kharagpur. He has done specialization in Revenue administration, Urban Management & Civic Issues, Law & Order and Disaster Management. He is Additional Chief Secretary, Ports & Transport Department, Government of Gujarat He was Chairman of Gujarat Industrial Investment Corporation Limited (GIIC).

He has very rich and varied experience in different capacities viz. District Development Officer, Junagadh; District Collector, Porbandar, Palanpur & Surat; Deputy Municipal Commissioner, Ahmedabad; Municipal Commissioner, Surat & Vadodara; District (J&K Affairs), Home Ministry, Government of India; Principal Secretary, Food, Civil Supplies & Consumer Affairs Dept; Principal Secretary, Industries & Mines Department, Government of Gujarat. He is Director on the Board of Surat Integrated Transportation Development Corporation Limited.

Directorships in other Listed Companies as on 31.03.2022 :

Sr. No.	Name of the Company	Position
NIL		

Shri J P Gupta, IAS, Non-Executive Director: Shri J. P. Gupta is a senior IAS officer, with distinguished academic background of being alumni Jodhpur University and M. Tech from IIT, New Delhi.

Shri J P Gupta joined the Indian Administrative Service in 1991. He has wide experience of various departments such as Land Revenue, Urban Development, Transport, Education Department and Commercial Tax, Government of Gujarat. He has also served in the state PSUs like Gujarat Water Infrastructure Limited, The Gujarat State Civil Supplies Corporation Limited, Gujarat Medical Services Corporation Limited, Gujarat State Investment Limited, Gujarat Urban Development Company Limited etc. Presently, he is Principal Secretary, Finance Department, Government of Gujarat.

In addition to his responsibility as Principal Secretary (Finance Department), he is also Managing Director of Gujarat State Financial Services Limited, Chairman of Gujarat State Investment Limited and Director in other Companies.

Directorships in other Listed Companies as on 31.03.2022:

Sr. No.	Name of the Company	Position
1.	Gujarat Narmada Valley Fertilizers & Chemicals Limited	Director
2.	Gujarat State Petronet Limited	Director
3.	Gujarat State Fertilizers & Chemicals Limited	Director

Shri Rajiv Lochan Jain, Independent Director: Shri Rajiv Lochan Jain, is B. Tech. (Hons.) in Chemical Engineering from IIT, Kharagpur and MBA from the University of New Hampshire, USA. He had served as Chief Executive Officer and Managing Director of Akzo Nobel India Limited from April, 2003 to May, 2009. He successfully led the portfolio of reshaping of ICI India Ltd. from a diversified chemical company to a focused and fastest growing player in the paints business. He was also the Chairman of both ICI's Research Company in India and the joint-venture company of ICI with Orica, Australia. He advises global and local companies on their entry and growth strategies for India. He serves as Director on the Board of Goodyear India Limited.

Directorships in other Listed Companies as on 31.03.2022:

Sr. No.	Name of the Company	Position
1.	Goodyear India Limited	Independent Director

Shri S B Dangayach, Independent Director: Shri S B Dangayach has done B.Sc. (Physics) from Bombay University and MBA from IIM, Ahmedabad. He is founder trustee of Innovative Thought Forum an India centric “think+act” tank. He is an accomplished and versatile professional with “India Centric” mindset focused on continuous development of products and solutions that blend appropriate elements for optimum benefit to India specific needs in holistic and integrative manner. Under his leadership, he has pioneered and created products and solutions in nationally vital domains like water storage and harvesting, building and construction, affordable housing, solid and liquid waste management, renewable energy and environment, education, resource efficiency, finance and industrial development, health and social infrastructure.

He has helped in building brand “Sintex” into a formidable entity offering innovative and affordable solution across sectors.

He has received the ‘Best Manager’ award instituted by Ahmedabad Management Association (AMA) for the year 1998. He has held many other positions like Member-Advisory Committee, Vibrant Gujarat Summit and Chairman, National Advisory Board of Plastindia Foundation, part of many foreign delegations of Government of India and Government of Gujarat. He has conceptualized and anchored popular series of lectures at AMA under title of “New Paradigm in Health – Illness to Wellness and Beyond”. He is also featured in bestselling book “Stay Hungry Stay Foolish” of Rashmi Bansal as the only “intrapreneur”.

He has a proven track record of innovation and entrepreneurship and has the ability to ideate, strategize and implement projects, programmes and plans by proper interdisciplinary coordination and leadership.

He is holding directorship in various other companies including Member of Board of Governors of IIM, Udaipur and Auro University, Surat, and Independent Director on Board of Gujarat Mineral Development Corporation Limited and other Companies.

Directorships in other Listed Companies as on 31.03.2022:

Sr. No.	Name of the Company	Position
1.	Gujarat Mineral Development Corporation Limited	Independent Director

Shri Nitin Shukla, Independent Director: Shri Nitin Shukla has done B.E. (Mechanical). Shri Nitin Shukla’s career spans over four decades and nearly half as CEO-MD with JVs of MNCs in India.

He successfully implemented two large green-field projects in energy sector in Gujarat, India.

He retired from Shell Group in September, 2016 as Managing Director & CEO of Hazira LNG Pvt. Ltd. & Hazira Port Pvt. Ltd. (Shell Group companies). He led this business since FID (Final Investment decision) taken by Shell in December, 2001. He successfully developed LNG business based on a novel spot cargo model and later based on combination of service provider coupled with spot cargoes/short term contracts. He played key role in development of non-LNG cargo port development of Hazira port through sub- concession route through international competitive bidding process.

Prior to his leadership role with Shell Group Shri Nitin Shukla was the Managing Director of Gujarat PowerGen Energy Corporation Limited (PowerGen, UK Group company) from July 1999 to February 2002. He served as an Executive Director, Gujarat Torrent Energy Corporation Ltd. (GTEC), for nearly last two years during his tenure from November, 1992 till July, 1999. He played key role in developing 655 MW gas based dual fuel power plant within budget and on schedule during his tenure with GTEC.

He had been associated as Office Bearer / Executive Committee member with various business and social organizations including CII, FICCI, AMA, GCCI.

He was Chairman of CII-Gujarat, and member of National Hydrocarbon Council of CII and FICCI, Member of Advisory Council of CSIR-NEERI (Council of Scientific and Industrial Research, National Environment Engineering Research Institute).

He is Independent Director on the Board of Gujarat Mineral Development Corporation Ltd. since 14.10.2014, and also on the Board of Gujarat Industries Power Company Ltd. He has also served as Director on the Board of Dahej SEZ Ltd.

He is also associated with not-for profit organizations such as Gujarat Vishwakosh Trust, Sabarmati Ashram Preservation Trust (Gandhi Ashram), Anuvad Academy and Research Foundation as Trustee.

Directorships in other Listed Companies as on 31.03.2022

Sr. No.	Name of the Company	Position
1.	Gujarat Mineral Development Corporation Limited	Independent Director
2.	Gujarat Industries Power Company Limited	Independent Director

Smt. Vasuben Trivedi, Independent Director: Smt. Vasuben Trivedi is M.A., L.L.B. and had begun her career as a Professor. From 2002 to 2017, she was Member of Legislative Assembly of Gujarat. She was Minister for State Education, Women and Child Welfare (Independent Charge), Higher and Technical Education. She acted as a Chairperson of Budgetary Committee of Gujarat Assembly and a Chairperson of Public Undertaking Committee. She has also served significantly as a Chairperson of Gujarat Tourism Corporation.

Her contribution in the field of higher education is also notable. She served as Principal and Head of the Department in Bhavan's Shree A.K. Doshi Mahila College, Jamnagar. She has also served as a member of academic council of Saurashtra University, Senate member of Saurashtra University and acted as a Dean of Home Science faculty in Saurashtra University, Coordinator of Indira Gandhi National Open University, member of academic council of Bhavanagar University and Senate and Syndicate Member of Ayurved University.

She has contributed in the society for women upliftment and empowerment. She has worked and guided for the betterment of society by means of various social and welfare activities by associating with different societal institutions.

Directorships in other Listed Companies as on 14.02.2022 :

Sr. No.	Name of the Company	Position
NIL		

During the year, Smt. Vasuben Trivedi, Independent Director of the Company ceased from the Board of Directors of the Company w.e.f. 14th February, 2022.

Smt. Shridevi Shukla, Independent Director: Smt. Shridevi Shukla has done B.A in Economics. She has wide administrative and corporate experience. Prior to her retirement, she held various senior level positions in Government of Gujarat Departments viz., Industries and Mines, Finance, Science and Technology and General Administration etc. Subsequent to her retirement, she was appointed as Officer on Special Duty (Industries and Mines) and Appellate Authority (Mines), Industries and Mines Department from September, 2010 to February, 2014. Thereafter, she was appointed as State Information Commissioner, Gujarat Information Commission from May, 2014 to February, 2015.

She also holds directorships as Independent Director on the Boards of Gujarat State Petronet Limited, GSPL India Gasnet Limited, GSPL India Transco Limited and Gujarat State Investment Limited.

The Board of Directors of the Company appointed Smt. Shridevi Shukla as an Independent Director of the Company w.e.f. 12th May, 2022 subject to the approval of shareholders of the Company. The Shareholders of the Company had approved her appointment on 30th July, 2022 through Postal Ballot Notice dated 6th June, 2022.

Shri Harshad R Patel, IAS, Managing Director: Shri Harshad R Patel is an IAS Officer of 2005 batch. He has done B.A. Hon. (English Literature) from Gujarat University and M.A. in Public Policy from Indira Gandhi National Open University, New Delhi.

He has held various important positions in Government of Gujarat (GoG) like Secretary to Government, Labour & Employment Department, Gandhinagar; Commissioner of Relief and ExOfficio Additional Secretary to Government, Revenue Department, Gandhinagar; Settlement Commissioner & Director-Land Records, Land Revenue Management & District Administration, Gandhinagar; District Collector and District



Magistrate, Bhavnagar; Municipal Commissioner (Under Secretary), Municipal Corporation Jamnagar; District Development Officer(DDO) and District Collector, Kachchh; Chief Executive Officer (additional charge) of Gujarat State Disaster Management Authority, Gandhinagar.

Before his appointment as the Managing Director of the Company, he was holding position of Vice Chairman & Managing Director of Gujarat State Road Transport Corporation, Government of Gujarat. He had also held directorship in Bhavnagar Energy Company Limited.

He has been awarded various awards at District, State, National and International levels like:

- Best Collector Award 2016-2017 by the Government of Gujarat (District and State Levels);
- Swachh Shaher Puraskar by Hon. Chief Minister of Gujarat in 2015 (State Level);
- HUDCO Award for Best Practices to improve The Living Environment 2015-16 (National Level);
- Swachh Bharat Mission Urban Awards 2015 by Environment & Forests Department (National Level);
- Innovations in Educational Administration 2014 Award by National University of Educational Planning & Administration, New Delhi (National Level);
- Government Sector Initiative in Education – Digital Learning, World Education Summit Awards 2013 (National Level); and
- Jamnagar Energy Efficiency Street Lighting Integrated with latest Control System by Commonwealth Association for Public Administration & Management (International Level).

His contribution as the then DDO and District Collector, Kachchh in improving nutritional status of children of Kachchh was appreciated by Gujarat State Office of United Nations Children’s Funds (UNICEF).

He was also Director on the Board of GACL-NALCO Alkalies & Chemicals Private Limited, Gujarat Chemical Port Limited and Gujarat Guardian Limited.

Directorships in other Listed Companies as on 31.03.2022:

Sr. No.	Name of the Company	Position
1	Gujarat Industries Power Company Limited	Nominee Director

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. While all the Board Members possess the skills identified, their area of core expertise are given below:

Name of the Director	Area of Expertise
Shri Pankaj Kumar, IAS	Leadership, Corporate Governance, Management, Finance, Legal Compliances & Risk Management, Human Resources.
Shri M.K. Das, IAS	Leadership, Corporate Governance, Production, Management, Research & Development, Finance, Legal Compliances & Risk Management, Human Resources.
Shri J. P. Gupta, IAS	Leadership, Corporate Governance, Production, Management, Finance, Legal Compliances & Risk Management, Human Resources.
Shri Rajiv Lochan Jain	Leadership, Corporate Governance, Production, Finance, Management, Sales and Marketing, Quality Assurance, Legal Compliances & Risk Management.
Shri S.B. Dangayach	Leadership, Corporate Governance, Finance, Sales & Marketing, Management, Legal Compliances & Risk Management, Research and Development.
Shri Nitin Shukla	Leadership, Corporate Governance, Management, Finance, Legal Compliances & Risk Management.

Smt. Vasuben Trivedi	Leadership, Corporate Governance, Management, Legal Compliances & Risk Management, Research and Development, Human Resources.
Smt. Shridevi Shukla	Leadership, Corporate Governance, Management, Finance, Legal Compliances & Risk Management, Human Resources, Production, Supply Chain, Quality Assurance, Research and Development.
Shri Harshad R Patel, IAS	Leadership, Corporate Governance, Production, Management, Quality Assurance, Finance, Legal Compliances & Risk Management, Sales and Marketing, Supply Chain, Research and Development, Human Resources.

Information placed before the Board

The Company places all the required information before the Board, as required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations.

Appointment of Independent Directors

Appointments of Independent Directors are made in accordance with the provisions of the Companies Act, 2013 read with the Rules framed there under and the Listing Regulations. Pursuant to the said provisions, the Letters of Appointment to the Independent Directors were issued by the Company. The terms and conditions of the appointment of the Independent Directors are available on the Website of the Company. (Weblink: https://gacl.com/upload_files/1b6f5_ID_Temrs_&_Appointment_Annexure.pdf?nv=2&snv=4). During the Financial Year, Shri Nitin Shukla has been appointed as an Independent Director of the Company w.e.f. 24th March, 2022.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in Listing Regulations and they are independent of the Management.

Familiarization Programme

The Company has formulated policy on Familiarization Program to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various programmes from time to time. The said Policy along with the details of familiarization programmes is available on the Website of the Company at Weblink:

https://gacl.com/upload_files/39506_Familiarization_Program_2022-23.pdf?nv=2&snv=5

The Company also imparts familiarization programme to the Non Independent Directors (on need basis) inducted during the year on the Board.

Separate meetings of the Independent Directors and of the Non-Independent Directors are convened to familiarize them with Company's operations wherein presentation is made covering details about the organizational set up of the Company, its promoters, shareholding pattern, Directors on the Board, accreditations / recognitions received by the Company, the nature of industry in which it operates, details about its plant operations like installed capacity v/s production achieved, production capacity in Chlor-Alkali industries, financial highlights of Company's performance, market share of major products, export share of major products, strategic advantages and concerns etc.

Further, on appointment of an Independent Director, a formal letter of appointment is issued, which inter-alia explains the role, function, duties and responsibilities of the Independent Director under the provisions of the Companies Act, 2013 and other applicable laws. Directors are also issued Introduction Kit on their appointment, which covers the following:

- List of existing Board of Directors of the Company;
- List of existing Committees of Directors of the Company;
- Details of past and present Chairman / Chairperson;
- Details of past and present Managing Director;
- Code of Conduct for the Directors and Vigil Mechanism-cum-Whistle Blower Policy approved by the Board of Directors of the Company;
- Statement of Unaudited / Audited Financial Results of the latest period;
- Shareholding Pattern of the Company of the latest period;



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- Annual Reports of the Company for the last 3 financial years immediately preceding the date of appointment of the Director;
- Memorandum and Articles of Association of the Company;
- Company's Product Profile / Brochure/Corporate Film;
- A book - "Salt of the Earth - the GACL Saga" which has documented story of GACL for benefit of general public and other stakeholders.
- A brief presentation on the Company

MEETING OF INDEPENDENT DIRECTORS

As per Regulation 25 of the Listing Regulations and under the provisions of the Companies Act, 2013, a separate Meeting of the Independent Directors was held on 17th May, 2021 inter-alia, to review the performance of Non-Independent Directors, Chairperson, Managing Director and the Board as a whole and to assess quality, quantity and timeliness of flow of information between Management and the Board for ensuring effective participation by the Board Members. Shri Rajiv Lochan Jain, Shri Tapan Ray, IAS (Retd.), Smt. Vasuben Trivedi and Shri S B Dangayach, Independent Directors were present at the Meeting.

CODE OF CONDUCT

The Board of Directors of the Company on 29th December, 2005, had 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 was further amended to include the Code for Independent Directors along with their duties pursuant to Schedule IV of the Companies Act, 2013 by the Board at its Meeting held on 5th February, 2015.

The Code of Conduct for the Directors and Senior Management Personnel is available on the Company's Website (weblinks: https://gacl.com/upload_files/385ac_directors.pdf and https://gacl.com/upload_files/7432e_executives.pdf)

All the Board Members and the Senior Management Personnel have affirmed compliance with the 'Code of Conduct' during the Financial Year 2021-22. A declaration by the Managing Director/ Chief Executive Officer to this effect is provided at Annexure 'I' which forms part of this Annual Report.

BRIEF RESUME OF DIRECTORS UNDER APPOINTMENT / REAPPOINTMENT:

The brief resume as required under Regulation 36(3) of the Listing Regulations covering details about the nature of expertise, directorships and the membership of the Committees of the Board held by them on the Board on their appointment / reappointment are given in the Annexure attached with the Notice convening 49th Annual General Meeting of the Company, forming part of this Annual Report.

RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:

The Directors of the Company are not inter-se related as defined under the provisions of the Companies Act, 2013 and the Listing Regulations.

NUMBER OF BOARD MEETINGS HELD AND DATES THEREOF:

During the Financial Year 2021-22, Six (6) Board Meetings were held, as per the following details:

Quarter	Date(s) of Meeting
1 st Quarter - From April to June, 2021	18 th May, 2021
2 nd Quarter – From July to September, 2021	10 th August, 2021 & 23 rd September, 2021
3 rd Quarter – From October to December, 2021	3 rd November, 2021
4 th Quarter – From January to March, 2022	8 th February, 2022 and 24 th March, 2022

ATTENDANCE OF DIRECTORS AT THE BOARD MEETINGS, LAST ANNUAL GENERAL MEETING AND THEIR DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS IN OTHER COMPANIES

(As on 31.03.2022)

Name and Category of Directors	No. of Board Meetings of GACL attended	Attendance at last AGM of GACL held on 23.09.2021	Directorships in other Companies (Other than Pvt. Ltd Cos.)	Audit Committee and Stakeholders' Relationship-cum-Investors' Grievance Committee in other Companies	
				Membership	Chairmanship out of Membership in Column No. 5
1	2	3	4	5	6
*Shri Anil Mukim, IAS Non-Executive Chairman (upto 03.09.2021)	2	N.A.	3	Nil	Nil
Shri Pankaj Kumar, IAS Non-Executive Chairman (from 07.09.2021)	4	Yes	9	Nil	Nil
**Shri Pankaj Joshi, IAS Non-Executive Director (upto 02.11.2021)	3	Yes	5	6	1
Shri J.P Gupta, IAS Non-Executive Director (from 15.12.2021)	1	N.A.	9	5	0
Shri M K Das, IAS Non-Executive Director	3	No	1	1	Nil
Shri Rajiv Lochan Jain Independent Director	6	Yes	1	4	4
#Smt. Vasuben Trivedi Independent Director (upto 14.02.2022)	5	Yes	Nil	1	Nil
Shri S.B. Dangayach Independent Director	6	Yes	2	3	2
^Shri Tapan Ray, IAS (Retd.) Independent Director (Upto 31.12.2021)	4	Yes	7	3	1
Shri Nitin Shukla Independent Director (from 24.03.2022)	1	N.A	4	3	Nil
^^Shri Milind Torawane, IAS Managing Director (Upto 06.02.2022)	4	Yes	8	6	Nil
Shri Harshad R Patel, IAS Managing Director (from 07.02.2022)	2	N.A.	3	2	0

* Shri Anil Mukim, IAS was appointed as Chairman of the Company w.e.f. 11.12.2019. He ceased as Chairman of the Company on 03.09.2021 consequent upon his superannuation as Chief Secretary to Government of Gujarat. Therefore, his particulars are taken as on date of his cessation.



- ** Shri Pankaj Joshi, IAS was appointed as Director of the Company w.e.f. 27.12.2019. He ceased as Director of the Company on 02.11.2021 due to transfer from Finance Department, Government of Gujarat. Therefore, his particulars are taken as on date of his cessation.
- # Smt. Vasuben Trivedi was appointed as an Independent Director of the Company w.e.f. 03.08.2018. She ceased as an Independent Director of the Company on 14.02.2022 due to preoccupation, as mentioned in her resignation letter. She has confirmed in her resignation letter that there were no other material reasons other than above for the resignation tendered. Therefore, her particulars are taken as on date of her cessation.
- ^ Shri Tapan Ray, IAS (Retd.) was appointed as an Independent Director of the Company w.e.f. 30.12.2020. He ceased as an Independent Director of the Company on 31.12.2021 due to preoccupation, as mentioned in his resignation letter. He has confirmed in his resignation letter that there were no other material reasons other than above for the resignation tendered. Therefore, his particulars are taken as on date of his cessation.
- ^^ Shri Milind Torawane, IAS was appointed as Managing Director of the Company w.e.f. 01.12.2020. He ceased as the Managing Director of the Company on 06.02.2022 pursuant to the Order of Government of Gujarat. Therefore, his particulars are taken as on date of his cessation.
- Video conferencing facilities are provided to facilitate the Directors to participate in the meeting who could not attend the meeting in person.

NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:

During the Financial Year 2021-22 and as on 31.03.2022, none of the Directors including Non-Executive Directors was holding any Equity Share or convertible instrument in the Company.

BOARD COMMITTEES:

The Board of Directors of the Company has constituted following Committees of Directors as on 31.03.2022:

- (A) Audit Committee;
- (B) Nomination-cum-Remuneration Committee;
- (C) Stakeholders' Relationship-cum-Investors' Grievance Committee;
- (D) Corporate Social Responsibility Committee;
- (E) Project Committee;
- (F) Selection Committee;
- (G) Personnel Committee;
- (H) Risk Management-cum-Safety Committee; and
- (I) Corporate Environment Responsibility Committee

(A) AUDIT COMMITTEE:

(i) BROAD TERMS OF REFERENCE

The scope of the functions and broad terms of reference of the Audit Committee are commensurate with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. It includes review of the reports and performance of Internal Auditors, actions taken by concerned departments on report of internal auditors, review of outstanding position, review of the Corporate Budget, review of the Cost Audit Report with the Cost Auditors, review of the Quarterly and Annual Financial Results with the Statutory Auditors, review of adequacy of internal control system and procedures with the Internal Auditors, evaluation of financial controls and risk management systems including functioning of whistle blower mechanism, approval or any subsequent modifications of the Related Party Transactions (RPTs), reviewing utilization of loans, advances or investments by the Company in its subsidiary and recommendation of the same for necessary approval, recommendation of appointment of Statutory Auditors, Cost Auditors and Internal Auditors for approval of the Board etc.

(ii) COMPOSITION

As at 31.03.2022, the Audit Committee comprised of four (4) Members viz., Shri Rajiv Lochan Jain as the Chairman of the Committee, Shri S B Dangayach, Shri Nitin Shukla and Shri Harshad R Patel, IAS.

The Company Secretary acts as the Secretary to the Audit Committee.

(iii) MEETINGS AND ATTENDANCE

During the Financial Year 2021-22 four (4) Meetings of Audit Committee were held, i.e., on 17.05.2021, 09.08.2021, 02.11.2021 and 07.02.2022. The number of Meetings attended by Directors are as under:

Name	Category of Directorship	No. of Meetings attended
Shri Rajiv Lochan Jain (appointed as Chairman w.e.f. 28.09.2018)	Non-Executive Independent Director	4
Shri Tapan Ray, IAS (Retd.) (upto 31.12.2021)	Non-Executive Independent Director	3
Shri Pankaj Joshi, IAS (upto 02.11.2021)	Non-Executive Non-Independent Director	2
Smt. Vasuben Trivedi (upto 14.02.2022)	Non-Executive Independent Director	4
Shri S.B. Dangayach	Non-Executive Independent Director	4
Shri Nitin Shukla (w.e.f. 24.03.2022)	Non-Executive Independent Director	Nil*
Shri Milind Torawane, IAS (upto 06.02.2022)	Executive Director	3*
Shri Harshad R Patel, IAS (from 07.02.2022)	Executive Director	Nil*

*Since no Audit Committee meeting was held after 07.02.2022 up to 31.03.2022.

(B) NOMINATION-CUM-REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Board has renamed the “Remuneration Committee” as the “Nomination-cum-Remuneration Committee” w.e.f. 1st August, 2014.

(i) BROAD TERMS OF REFERENCE

The Committee is governed by the terms of reference which are as per the Companies Act, 2013 and Regulation 19 of the Listing Regulations read with Part D of Schedule II of the Listing Regulations. The role of Nomination-cum-Remuneration Committee would broadly encompass the following

- (1) to formulate the criteria for determining qualifications, positive attributes and independence of a Director and to recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel (KMP) and other employees etc;
- (2) to formulate criteria for evaluation of Directors including Independent Directors and the Board;
- (3) to devise a policy on Board diversity;
- (4) to identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down;
- (5) to recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel; and all remuneration in whatever form, payable to senior management;
- (6) to extend or continue the term of appointment of Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- (7) recommend to the board, all remuneration, in whatever form, payable to senior management.

Accordingly, to enable the Committee to execute its role and responsibilities, the Committee had formulated “Nomination & Remuneration-cum-Board Diversity Policy” and the said Policy was approved by the Board. The said policy was further amended on 26.05.2016, 10.08.2021 and 03.11.2021 to align with the provisions of the Listing Regulations and the same is available on Company’s Website at weblink:

https://gacl.com/upload_files/482cd_GACL%20NRC%20POLICY.pdf



(ii) COMPOSITION

As at 31.03.2022, there were three (3) Members in this Committee viz., Shri Rajiv Lochan Jain as the Chairman of the Committee; Shri M K Das, IAS, and Shri S.B. Dangayach.

The Company Secretary acts as the Secretary to the Nomination-Cum-Remuneration Committee.

(iii) MEETINGS AND ATTENDANCE

During the Financial Year 2021-22, five (5) Meetings of the Committee were held i.e. on 17.05.2021, 09.08.2021, 02.11.2021, 07.02.2022 and 24.03.2022.

The number of Meetings attended by Directors are as under:

Name	Category of Directorship	No. of Meetings attended
Shri Rajiv Lochan Jain, Chairman (from 11.07.2019)*	Non-Executive Independent Director	5
Shri M K Das, IAS	Non-Executive Non-Independent Director	2
Smt. Vasuben Trivedi (upto 14.02.2022)	Non-Executive Independent Director	4
Shri S. B. Dangayach	Non-Executive Independent Director	5

* Shri Rajiv Lochan Jain is member of the Nomination-cum-Remuneration Committee w.e.f. 06.01.2016 and has been designated as Chairman w.e.f. 11.07.2019.

(iv) BOARD EVALUATION

The Nomination & Remuneration-cum-Board Diversity Policy lays down criteria for performance evaluation of the Directors. The relevant extract of the Nomination & Remuneration-cum-Board Diversity Policy is reproduced below:

Criteria for Performance Evaluation

Following are the criteria for evaluation of performance of Directors and the Board:

(A) Executive Directors

The Executive Directors shall be evaluated on the basis of targets / criteria given to Executive Directors by the Board from time to time.

(B) Non-Executive Directors including Independent Directors

The Non-Executive Directors including Independent Directors shall be evaluated on the basis of the following criteria, i.e. whether they:

- (a) act objectively and constructively while exercising their duties;
- (b) exercise their responsibilities in a bona fide manner in the interest of the Company;
- (c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (d) do not abuse their position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (e) refrain from any action that would lead to loss of his/her independence;
- (f) inform the Board immediately when they lose their independence;
- (g) assist the Company in implementing the best Corporate Governance practices;
- (h) strive to attend all meetings of the Board of Directors and the Committees;
- (i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (j) strive to attend the general meetings of the Company;

- (k) keep themselves well informed about the Company and the external environment in which it operates;
- (l) do not unfairly obstruct the functioning of a proper Board or Committee of the Board;
- (m) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and member's interest;
- (n) abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.

The Nomination-cum-Remuneration Committee adopted specific formats in form of checklists for performance evaluation of Executive & Non-Executive Directors, evaluation of Board and its various Committees and the Chairman. The said checklists were circulated to all the Board members for their feedbacks. The performance evaluation of the individual Director was done by all Directors excluding the Director being evaluated and performance evaluation of the Board and its Committees was done by all the members of Board.

(v) REMUNERATION POLICY

The Board of Directors of the Company amended the "Nomination & Remuneration-cum-Board Diversity Policy" in line with SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021.

The extract from "Nomination & Remuneration-cum-Board Diversity Policy" is set out below:

The Nomination-cum-Remuneration Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, Key Managerial Personnel (KMP) and Senior Management Personnel to the Board for their approval. This Policy shall not be applicable in respect of appointment of Directors by Order of the Government of Gujarat pursuant to the Articles of Association of the Company.

The Committee shall ensure that :

- (a) the level and composition of remuneration so determined shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully;
- (b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) Remuneration to Directors, KMPs and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Weblink of Nomination-cum-Remuneration & Board Diversity Policy:

https://gacl.com/upload_files/482cd_GACL%20NRC%20POLICY.pdf

(vi) DETAILS OF REMUNERATION PAID TO DIRECTORS

EXECUTIVE DIRECTOR

Pursuant to the Articles of Association of the Company, the Managing Director is nominated and appointed by the Government of Gujarat. He is being paid remuneration as per the terms and conditions prescribed by the Government and approval accorded by the Members of the Company.

The Government of Gujarat (GoG) in exercise of the powers vested in it under the Articles 11 and 14-A of the Articles of Association of the Company has vide its Notification No. AIS/35.2022/05/G dated 3rd February, 2022 ("GoG Order") communicated to the Company that Shri Harshad R Patel, IAS (DIN:08101424) would hold charge of the post of Managing Director of the Company, until further orders, vice Shri Milind Torawane, IAS, transferred. Shri Harshad R Patel, IAS assumed the charge of Managing Director of the Company w.e.f. 7th February, 2022 until further orders by GoG. Thus, he is nominated as Government Director on the Board of the Company with effect from 7th February, 2022.

In pursuance of the provisions of Section 203 of the Companies Act, 2013 ("the Act"), GoG Order and as recommended by the Nomination-cum-Remuneration Committee, the Board of Directors of the Company had in its Meeting held on 8th February, 2022, unanimously appointed Shri Harshad R Patel, IAS as Managing Director of the Company with effect from 7th February, 2022. Further, the Company has received Letter No. PAO-GNR-SRB-IAS-117/1049 dated 17th February, 2022 of Pay and Accounts Office, Gandhinagar, sanctioning for payment of remuneration of Rs.1,57,600/- Per Month with effect from 7th February 2022 (i.e., the date on which he took over the charge) in the Pay Range of Rs.1,44,200 – Rs.2,18,200 (Level 14 of Pay Matrix) subject to usual deduction as per Rules to Shri Harshad R Patel, IAS as Managing Director of the Company. The Board of Directors of the Company at its Meeting held on 24th March, 2022 has noted, approved and

confirmed the remuneration and perquisites payable to Shri Harshad R Patel, IAS as Managing Director subject to the approval of shareholders of the Company. Shri Harshad R Patel, IAS has been paid remuneration @ Rs.1,57,600/- Per Month w.e.f. 7th February, 2022 (i.e. the date on which he took over the charge) in the Pay Range of Rs.1,44,200 – Rs.2,18,200 (Level 14 of Pay Matrix) and subject to usual deduction as per Rules and D.A., CCA, HRA, TA and other allowances / perquisites from the Company and he shall be paid such remuneration as may be conveyed by the GoG, from time to time, during the period he holds the post of the Managing Director of the Company. The Shareholders have approved the appointment & remuneration & perquisites payable to Shri Harshad R Patel, IAS on 3rd May, 2022 through Postal Ballot Notice dated 24th March, 2022.

The remuneration payable to the Managing Director is decided by the Government of Gujarat. Such remuneration is fixed as per the Government's Rules and is not linked with the performance criteria of the Company.

NON-EXECUTIVE DIRECTORS

CRITERIA FOR PAYMENT TO NON-EXECUTIVE DIRECTORS

The Company is paying Rs. 17,500/- per meeting to the Non-Executive Directors as Sitting Fees for attending Meetings of the Board of Directors or Committees thereof.

The Company is paying Rs. 4,000/- per day of Meeting towards reimbursement of incidental / out-of-pocket expenses to the Non-Executive Directors for attending Meetings of the Board of Directors or Committees thereof.

Details of Sitting Fees paid to Directors during the Financial Year 2021-22 are as under :

Name	Relationship with other Directors	Business relationship with the Company, if any	Sitting Fees Paid		
			For Board Meetings (Rs.)	For Committee Meetings (Rs.)	Total (Rs.)
Shri Anil Mukim, IAS (Retd.) (upto 03.09.2021)	No	No	35,000/-	Nil	*35,000/-
Shri Pankaj Kumar, IAS (from 07.09.2021)	No	No	70,000/-	17,500/-	*87,500/-
Shri Pankaj Joshi, IAS (Upto 02.11.2021)	No	No	52,500/-	1,05,000/-	*1,57,500/-
Shri M K Das, IAS	No	No	52,500/-	1,05,000/-	*1,57,500/-
Shri J P Gupta, IAS (from 15.12.2021)	No	No	17,500/-	Nil	17,500/-
Shri Tapan Ray, IAS (Retd.) (upto 31.12.2021)	No	No	70,000/-	1,75,000/-	**2,45,000/-
Shri Rajiv Lochan Jain	No	No	1,05,000/-	4,72,500/-	**5,77,500/-
Smt. Vasuben Trivedi (upto 14.02.2022)	No	No	87,500/-	3,32,500/-	**4,20,000/-
Shri S B Dangayach	No	No	1,05,000/-	4,20,000/-	**5,25,000/-
Shri Nitin Shukla (from 24.03.2022)	No	No	17,500/-	Nil	**17,500/-
Total.....			6,12,500/-	16,27,500/-	22,40,000/-

* Sitting Fees deposited in Government Treasury.

** The sitting fees shown above are gross payment. Out of which, TDS @ 10% were deducted.

None of the Non-Executive Directors has any other pecuniary relationship or transactions with the Company during Financial Year 2021-22.

SERVICE CONTRACTS, SEVERANCE FEE AND NOTICE PERIOD

The appointment of the Executive Director and Non-Executive Non-Independent Directors (Government Directors) is governed by the Articles of Association of the Company, resolutions passed by the Board and the Shareholders of the Company, which cover the terms and conditions of such appointments. No separate Service Contract inter-alia containing details of notice period and severance fees is entered into by the Company with these Executive and Non-Executive Non-Independent Directors.

There is no provision for payment of severance fee governing the appointment of Executive Director. The statutory provisions will, however, apply.

The Company did not have any Stock Option Scheme as on 31.03.2022.

(C) STAKEHOLDERS' RELATIONSHIP – CUM - INVESTORS' GRIEVANCE COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, the Board has renamed the "Shares / Debentures Transfers and Investors' Grievance Committee" as the "Stakeholders' Relationship-cum-Investors' Grievance Committee."

(i) BROAD TERMS OF REFERENCE

The Committee considers and approves all securities related transactions, issue of certificates and also looks into the shareholding pattern, redressal of the Investors' complaints / grievances, reviews the redressal mechanism and recommends measures to improve the level of Investor related services.

The Board has designated Shri S S Bhatt, Company Secretary & Chief General Manager (Legal, CC & CSR) as the Compliance Officer and his contact details are:

Gujarat Alkalies and Chemicals Limited.

P.O. : Ranoli : 391 350 Dist. : Vadodara

e-mail: investor_relations@gacl.co.in; cosec@gacl.co.in

(ii) COMPOSITION

As at 31.03.2022, the Committee comprised of four (4) Members viz., Shri Rajiv Lochan Jain as the Chairman of the Committee; Shri M K Das, IAS, Shri Nitin Shukla and Shri Harshad R Patel, IAS

The Company Secretary acts as the Secretary to the Stakeholders' Relationship – Cum - Investors' Grievance Committee.

(iii) MEETINGS AND ATTENDANCE

During the Financial Year 2021-22, four (4) Meetings of the Committee were held, i.e., on 17.05.2021, 09.08.2021, 02.11.2021 and 05.02.2022.

The number of Meetings attended by Directors are as under:

Name	Category of Directorship	No. of Meetings attended
Shri Rajiv Lochan Jain, Chairman	Non-Executive Independent Director	4
Shri M K Das, IAS	Non-Executive Non-Independent Director	1
Shri Tapan Ray, IAS (Retd.) (upto 31.12.2021)	Non-Executive Independent Director	3
Shri Nitin Shukla (from 24.03.2022)	Non-Executive Independent Director	N.A.*
Shri Milind Torawane, IAS (upto 06.02.2022)	Executive Director	4
Shri Harshad R Patel, IAS (from 07.02.2022)	Executive Director	N.A.*

*Since no Stakeholders' Relationship-cum-Investors' Grievance Committee meeting was held during 07.02.2022 to 31.03.2022.

(iv) Details of Shareholders' Complaints received and resolved or pending during the Financial Year 2021-22:

Nature of complaints	Received	Satisfactorily Resolved
Non receipt of Share Certificates / Demat Credit	14	14
Letters/Complaints from SEBI / Stock Exchanges	--	--
Non receipt of Dividend	19	19
Non receipt of Annual Reports	--	--
Others	--	--
Total	33	33

Number of pending Share Transfer as on 31.03.2022 – Nil

(D) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

Pursuant to the provisions of Section 135 read with Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board has constituted Corporate Social Responsibility (CSR) Committee.

(i) BROAD TERMS OF REFERENCE

The role of CSR Committee mainly covers:

- (1) to formulate and recommend to the Board a CSR Policy indicating activities proposed to be carried out;
- (2) to recommend the amount of expenditure to be incurred for CSR activities; and
- (3) to monitor periodically, the CSR Policy and its implementation.

(ii) COMPOSITION

As at 31.03.2022, the Committee comprised of five (5) five Members viz. Shri Pankaj Kumar, IAS as the Chairman of the Committee, Shri M K Das, IAS, Shri J P Gupta, IAS, Shri S.B. Dangayach and Shri Harshad R Patel, IAS.

The Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee.

(iii) MEETINGS AND ATTENDANCE

During the Financial Year 2021-22, four (4) Meetings of the Committee were held, i.e., on 18.05.2021, 10.08.2021, 05.02.2022 and 24.03.2022.

The number of Meetings attended by Directors are as under:

Name	Category of Directorship	No. of Meetings attended
Shri Anil Mukim, IAS, Chairman (upto 03.09.2021)	Non-Executive Non-Independent Director	Nil
Shri Pankaj Kumar, IAS (from 23.09.2021)	Non-Executive Non-Independent Director	Nil
Shri M K Das, IAS	Non-Executive Non-Independent Director	2
Shri Pankaj Joshi, IAS (upto 02.11.2021)	Non-Executive Non-Independent Director	1
Shri J P Gupta, IAS (from 08.02.2022)	Non-Executive Non-Independent Director	Nil
Smt. Vasuben Trivedi (upto 14.02.2022)	Non-Executive Independent Director	3
Shri S. B. Dangayach	Non-Executive Independent Director	4
Shri Milind Torawane, IAS (upto 06.02.2022)	Executive Director	3
Shri Harshad R Patel, IAS (from 07.02.2022)	Executive Director	1

(E) PROJECT COMMITTEE :**(i) BROAD TERMS OF REFERENCE**

The Committee meets as and when proposals for new projects, expansions and debottlenecking etc. are to be considered and to recommend the same to the Board for approval and reviews the progress of various projects on hand for timely implementation.

(ii) COMPOSITION

As at 31.03.2022, the Committee comprised of seven (7) Members viz., Shri Pankaj Kumar, IAS as the Chairman of the Committee, Shri M K Das, IAS, Shri J P Gupta, IAS, Shri Rajiv Lochan Jain, Shri S. B. Dangayach, Shri Nitin Shukla and Shri Harshad R Patel, IAS.

The Company Secretary acts as the Secretary to the Project Committee.

(iii) MEETINGS AND ATTENDANCE

During the Financial Year 2021-22, four (4) Meetings of the Committee were held, i.e. on 18.05.2021, 10.08.2021, 03.11.2021 and 08.02.2022.

The number of Meetings attended by Directors are as under:

Name	Category of Directorship	No. of Meetings attended
Shri Anil Mukim, IAS (Retd.) (as Chairman from 27.12.2019 to 09.02.2021) (Upto 03.09.2021)	Non-Executive Non-Independent Director	0
Shri Tapan Ray, IAS (Retd.) (as Chairman from 09.02.2021 to 31.12.2021)	Non-Executive Independent Director	3
Shri Pankaj Kumar, IAS (as Chairman from 08.02.2022)	Non-Executive Non-Independent Director	1
Shri Pankaj Joshi, IAS (upto 02.11.2021)	Non-Executive Non-Independent Director	2
Shri M K Das, IAS	Non-Executive Non-Independent Director	1
Shri Rajiv Lochan Jain	Non-Executive Independent Director	4
Smt. Vasuben Trivedi (upto 14.02.2022)	Non-Executive Independent Director	4
Shri S. B. Dangayach	Non-Executive Independent Director	4
Shri Nitin Shukla (from 24.03.2022)	Non-Executive Independent Director	N.A.*
Shri Milind Torawane, IAS (upto 06.02.2022)	Executive Director	3
Shri Harshad R Patel, IAS (from 07.02.2022)	Executive Director	1

*Since no Project Committee Meeting was held during 24.03.2022 to 31.03.2022.

(F) SELECTION COMMITTEE:

The Board of Directors of the Company at its Meeting held on 29th September, 2016 reconstituted "Personnel-cum-Selection Committee" by forming two separate committees viz. (1) "Selection Committee" and (2) "Personnel Committee of Directors" for smooth functioning of interview process of Senior Management candidates/employees by the Company.

(i) BROAD TERMS OF REFERENCE

The Selection Committee meets to conduct interviews for the promotions of Sr. Executives of the Company and selection of external candidates for the position of Sr. Executives of the Company i.e., for Dy. General Manager (DGM) & above, as and when required. The decision / recommendations of the Selection Committee are put up to the Personnel Committee / Board of Directors.

**(ii) COMPOSITION**

As at 31.03.2022, the Committee comprised of three (3) Members viz., One Independent Director (subject to availability) of the Board as per convenience indicated to the Managing Director, one outside expert as may be decided by the Managing Director and Shri Harshad R Patel, IAS, Managing Director.

The Company Secretary acts as the Secretary of Selection Committee.

(iii) MEETINGS AND ATTENDANCE

During the Financial Year 2021-22, four (4) Meetings of the Committee was held on 06.09.2021, 07.09.2021, 08.09.2021 and 09.09.2021.

The details of the Meeting attended by Directors / outside experts are as under:

Name	Category of Directorship	No. of Meetings attended
Shri Rajiv Lochan Jain	Non-Executive Independent Director	4
Outside expert(s)	N.A.	4
Shri Milind Torawane, IAS (upto 06.02.2022)	Executive Director	4
Shri Harshad R Patel, IAS (from 07.02.2022)	Executive Director	N.A.*

* Since no Selection Committee Meeting was held during 07.02.2022 to 31.03.2022.

(G) PERSONNEL COMMITTEE:

The Board of Directors of the Company at its Meeting held on 29th September, 2016 reconstituted "Personnel-cum-Selection Committee" by forming two separate committees viz. (1) "Selection Committee" and (2) "Personnel Committee of Directors" for smooth functioning of interview process by the Company.

(i) BROAD TERMS OF REFERENCE

The Personnel Committee meets as and when proposals and recommendations of the Selection Committee are to be considered for approval of appointments of external candidates and promotions of Sr. Executives of the Company. The Committee is delegated with all matters relating to Company's Personnel that has not been delegated to Managing Director of the Company. The Committee also reviews the delegated powers to Managing Director and make suitable modifications as deemed fit for smooth functioning of interview process of the Company. The Board members are informed about the decisions of the Personnel Committee by circulating the Minutes of the Meetings of Personnel Committee. The Committee also recommend to the Board for its approval Personnel and HR related policies / matters.

(ii) COMPOSITION

As at 31.03.2022, the Committee comprised of three (3) Members viz., Shri Rajiv Lochan Jain as the Chairman of the Committee, Shri S.B. Dangayach, and Shri Harshad R Patel, IAS, Managing Director.

The Company Secretary acts as the Secretary of Personnel Committee.

(iii) MEETINGS AND ATTENDANCE

During the Financial Year 2021-22, two (2) Meetings of the Committee were held, i.e., on 14.10.2021 and 07.02.2022.

The number of Meetings attended by Directors are as under:

Name	Category of Directorship	No. of Meetings attended
Shri Rajiv Lochan Jain, Chairman	Non-Executive Independent Director	2
Smt. Vasuben Trivedi (upto 14.02.2022)	Non-Executive Independent Director	2
Shri S.B. Dangayach	Non-Executive Independent Director	2
Shri Milind Torawane, IAS (upto 06.02.2022)	Executive Director	1
Shri Harshad R Patel, IAS (w.e.f 07.02.2022)	Executive Director	1

(H) RISK MANAGEMENT-CUM-SAFETY COMMITTEE:

In the Financial Year 2014-15, the Company had constituted Internal Risk Management Committee comprising of Senior Executives of the Company who are heading respective departments viz. Finance, Manufacturing, Marketing, Purchase, Project, Safety, Information Technology, HR, Secretarial and Legal functions. The Managing Director is the Chairman of the Internal Risk Management Committee. The Internal Risk Management Committee reports to the Managing Director and the risks identified by the said Committee along with proposed mitigation actions are discussed periodically on quarterly basis with the Managing Director. Out of the various risks identified by the Internal Risk Management Committee, the Audit Committee has identified certain critical risks, which are reviewed by the Risk Management-Cum-Safety Committee, the Audit Committee and by the Board of Directors periodically. A Report on the steps taken to mitigate those critical risks is also submitted to the Risk Management-Cum-Safety Committee, Audit Committee and the Board of Directors.

The Board of Directors of the Company at its Meeting held on 11.02.2016 had constituted Risk Management Committee of Directors. The Board at its Meeting held on 10.11.2016 has renamed "Risk Management Committee" as "Risk Management-cum-Safety Committee" as recommended by the Audit Committee.

Pursuant to provisions of Regulations 17 & 21 of Listing Regulations and Sections 134 & 177 of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Listing Regulations and the Act, the Board of Directors of the Company at its meeting held on 2nd November, 2018 has framed and approved "Risk Management Policy" of the Company. The Company has further amended its Risk Management Policy in line with amendments under SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021.

(i) BROAD TERMS OF REFERENCE

The scope of the Committee includes to review and monitor the various risks and safety hazards concerning the Company in particular including financial, operational, sectoral, sustainability (i.e., Environment, Social & Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the Committee and its mitigation plan and such other functions as required under the regulations or other applicable laws, as amended from time to time.

(ii) COMPOSITION

As at 31.03.2022, the Committee comprised of four (4) Members viz., Shri Rajiv Lochan Jain, Chairman, Shri S.B. Dangayach, Shri Nitin Shukla and Shri Harshad R Patel, IAS, Managing Director.

Shri Rajiv Lochan Jain has been appointed as the Chairman of the Committee w.e.f. 28.09.2018.

The Company Secretary acts as Secretary of Risk Management-Cum-Safety Committee.

(iii) MEETINGS AND ATTENDANCE

During the Financial Year 2021-22, three (3) Meeting of the Committee was held on 17.05.2021, 09.08.2021 and 05.02.2022.

The number of Meetings attended by Directors are as under:

Name	Category of Directorship	No. of Meetings attended
Shri Rajiv Lochan Jain, Chairman	Non-Executive Independent Director	3
Shri S. B. Dangayach	Non-Executive Independent Director	3
Shri Nitin Shukla (from 24.03.2022)	Non-Executive Independent Director	N.A.*
Shri Milind Torawane, IAS (upto 06.02.2022)	Executive Director	3
Shri Harshad R Patel, IAS (from 07.02.2022)	Executive Director	N.A.*

* Since no Risk-Management-Cum-Safety Committee Meeting was held during 07.02.2022 to 31.03.2022.

**(I) CORPORATE ENVIRONMENT RESPONSIBILITY COMMITTEE:**

During the Financial Year 2021-22, the Board of Directors of the Company has constituted Corporate Environment Responsibility (CER) Committee to ensure that CER obligations of the Company would be carried out as per the Environment Clearance (ECs) and/or other permissions/licenses issued for various projects and would be implemented and monitored on regular basis. Members of CSR Committee formed CER Committee.

(i) BROAD TERMS OF REFERENCE

- To review and approve the action plan formulated by the Company to carry out its CER obligations as per the Environment Clearances (ECs) issued for various Projects by the appropriate authority and to recommend the same to the Board, from time to time;
- To review and monitor on periodical basis the implementation of CER obligations to be carried out by the Company as approved by the Committee and to inform the same to the Board, from time to time;
- To review and monitor the other compliances with respect to CER obligations to be made by the Company including but not limited to submission of half yearly monitoring report to the regional office and to the District Collector and its uploading on the website of the Company;
- To exercise such powers as the Committee may be required to exercise under the applicable laws to ensure that CER obligations of the Company are carried out in accordance with the respective ECs / permissions / licenses etc.

(iv) COMPOSITION

As at 31.03.2022, the Committee comprised of five (5) Members viz., Shri Pankaj Kumar, IAS as the Chairman of the Committee, Shri M K Das, IAS, Shri J P Gupta, IAS, Shri S.B. Dangayach and Shri Harshad R Patel, IAS.

The Company Secretary acts as the Secretary of Corporate Environment Responsibility Committee.

(v) MEETINGS AND ATTENDANCE

During the Financial Year 2021-22, one (1) Meeting of the Committee was held on 10.08.2021.

The number of Meetings attended by Directors are as under:

Name	Category of Directorship	No. of Meetings attended
Shri Anil Mukim, IAS (Retd.), Chairman (up to 03.09.2021)	Non-Executive Non-Independent Director	Nil
Shri Pankaj Kumar, IAS, Chairman (w.e.f. 23.09.2021)	Non-Executive Non-Independent Director	N.A.*
Shri Pankaj Joshi, IAS (upto 02.11.2021)	Non-Executive Non-Independent Director	1
Shri J.P. Gupta, IAS (w.e.f. 08.02.2022)	Non-Executive Non-Independent Director	N.A.*
Shri M.K Das, IAS	Non-Executive Non-Independent Director	Nil
Smt. Vasuben Trivedi (upto 14.02.2022)	Non-Executive Independent Director	1
Shri S.B. Dangayach	Non-Executive Independent Director	1
Shri Milind Torawane, IAS (upto 06.02.2022)	Executive Director	1
Shri Harshad R Patel, IAS (from 07.02.2022)	Executive Director	N.A.*

* Since no Corporate Environmental Responsibility Committee Meeting was held during 23.09.2021 to 31.03.2022.

4. GENERAL BODY MEETINGS:

The details as to the timings, date and venue of the last three Annual General Meetings (AGM) of the Company held are as under:

Financial Year	2020-21	2019-20	2018-19
AGM No.	48 th AGM	47 th AGM	46 th AGM
Date	23.09.2021	25.09.2020	27.09.2019
Time	at 11:00 a.m.	at 11:30 a.m.	at 11:00 a.m.
Venue	Meeting conducted through Video-Conference/ Other Audio Visual Means pursuant to MCA Circular	Meeting conducted through Video-Conference/ Other Audio Visual Means pursuant to MCA Circular	In the premises of the Company at P.O. : Petrochemicals : 391 346, Dist. : Vadodara.
Special Resolutions passed	In 46th AGM , Special Resolution was not passed by the Shareholders. In 47th AGM , Special Resolution was passed by the Shareholders. In 48th AGM , there was no Special Resolution proposed.		

POSTAL BALLOT

During the Financial Year 2021-22, the Company has not passed any Resolution by Postal Ballot.

The Company dispatched Postal Ballot Notice dated 24th March, 2022 together with explanatory statement on 1st April, 2022 for seeking approval of the Members of the Company on the following items of special business by means of electronic voting (remote e-voting):

- To appoint Shri J. P. Gupta, IAS (DIN: 01952821) as a Director of the Company (Ordinary Resolution);
- To appoint and approve remuneration & perquisites payable to Shri Harshad R Patel, IAS (DIN: 08101424) as a Managing Director of the Company (Ordinary Resolution);
- To appoint Shri Nitin Shukla (DIN:00041433) as an Independent Director of the Company w.e.f. 24th March, 2022 for a term of five (05) consecutive years i.e., upto 23rd March, 2027, not liable to retire by rotation. (Special Resolution).

Procedure adopted for Postal Ballot:

The Board of Directors had approved the appointment of Mr. Niraj Trivedi, Practicing Company Secretary to act as Scrutinizer for conducting Postal Ballot process including scrutinizing the Remote E-voting process to be provided to the Shareholders to cast their votes on the Resolutions proposed in the Postal Ballot Notice and also approved appointment of Central Depository Services (India) Limited ("CDSL") for facilitating remote e-voting to enable the Shareholders to cast their votes electronically.

Pursuant to Sections 108 and 110 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act"), read with the Companies (Management and Administration) Rules, 2014 ("Rules") and further read with General Circulars No.14/2020 dated April 8, 2020 and No.17/2020 dated April 13, 2020 and other relevant circulars, including No.22/2020 dated June 15, 2020; No. 33/2020 dated September 28, 2020; No.39/2020 dated December 31, 2020, No.10/2021 dated June 23, 2021 and No.20/2021 dated December 8, 2021, issued by the Ministry of Corporate Affairs ("MCA Circulars"); the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), Secretarial Standard issued by the Institute of Company Secretaries of India on General Meetings ("SS-2") and other applicable laws, Rules, Regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and as amended from time to time) ("applicable laws"), the Postal Ballot Notice dated 24th March, 2022 ("the Notice") together with the Explanatory Statement seeking approval of the Members of the Company for the aforementioned Resolutions by way of Postal Ballot through remote e-voting was dispatched and circulated on 1st April, 2022. The Notice was submitted to the Stock Exchanges and uploaded on the websites of the Company and CDSL on 1st April, 2022.

The Notice was sent to the Shareholders who already had their email address registered with the Company/ Depositories and whose names appeared in the Register of Shareholders/List of Beneficial Owners as received from Depositories i.e. National Securities Depository Limited ("NSDL")/ Central Depository Services (India) Limited ("CDSL") as on Tuesday, March 29, 2022 ("cut-off date").

Intimation regarding completion of dispatch of Postal Ballot through email, details of e-voting was published on 2nd April, 2022 in Business Standard, All Edition (In English) and Loksatta Jansatta, All Gujarat Edition (In Gujarati) newspapers.



Electronic voting (Remote e-Voting) by Members of the Company commenced on Monday, April 4, 2022 (9:00 a.m. IST) and ended on Tuesday, May 3, 2022 (5:00 p.m. IST).

Shri Niraj Trivedi, Scrutinizer had carried out scrutiny of e-votes received upto Tuesday, May 3, 2022 (5:00 p.m. IST), being the last day of e-voting module for Postal Ballot voting and prepared a Scrutinizer’s Report on the basis of data / reports received by him.

Thereafter, the Scrutinizer had submitted his Report dated 4th May, 2022. In accordance with Regulation 44 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company submitted voting results for the Resolutions under the Postal Ballot Notice dated 24th March, 2022 in the prescribed format along with the Scrutinizer’s Report dated 4th May, 2022 to the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited on 4th May, 2022, uploaded the same on the websites of the Company and CDSL and also published on the Notice Board of the Company.

All the Resolutions contained in the Notice dated 24th March, 2022 of the above Postal Ballot were approved by requisite majority of Members through remote e-Voting. Accordingly, all the Resolutions were declared to be passed on 3rd May, 2022.

At the forthcoming AGM, there is no item on agenda requiring approval of Shareholders by Postal Ballot.

5. DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT:

SEBI vide Circular No. : CIR/CFD/DIL/10/2010 dated 16.12.2010 has amended Clause 5A of the Listing Agreement to provide that Shares held physically which may have remained unclaimed by Shareholders due to insufficient / incorrect information or for any other reason should be transferred in demat mode to one folio in the name of “Unclaimed Suspense Account” with one of the Depository Participants. Accordingly, as approved by the Board at its Meeting held on 05.08.2013, the Company has opened “GACL – Unclaimed Shares Suspense Account” with Stock Holding Corporation of India Ltd., Vadodara (SHCIL) and transferred therein 8,021 unclaimed Shares of Rs.10/- each representing 262 Shareholders.

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company had transferred 20,337 Equity Shares of 287 Shareholders of the Company, in respect of which Dividend has remained unclaimed or unpaid for a period of seven consecutive years or more through Corporate Actions to the demat Account of IEPF Authority with Central Depository Services (India) Ltd. and the Corporate Actions were completed on 14.10.2021.

The balance of Unclaimed Shares lying in the said Suspense Account with SHCIL (in demat mode) as on 31.03.2022 is as under:

Particulars	Shareholders (Nos.)	Outstanding Shares (Nos.)
At the beginning of the year (01.04.2021)	24	1095
Shares transferred to IEPF Authority in respect of which dividend is not claimed for seven consecutive years	10	707
No. of Shareholders who claimed shares during the year	--	--
No. of Shareholders to whom Share Certificates are dispatched	--	--
No. of Shareholders and unclaimed Shares at the end of the year (31.03.2022)	14	388

The voting rights on the said 388 Shares shall remain frozen till the rightful owner of such shares claims the shares.

The Company endeavors to trace the current address of the shareholders (whose share certificates are unclaimed) through their neighbors at registered address and by reference to telephone directory. The share(s) are released on receipt of their claim along with required forms and KYC documents like copy of PAN Card and residence proof etc.

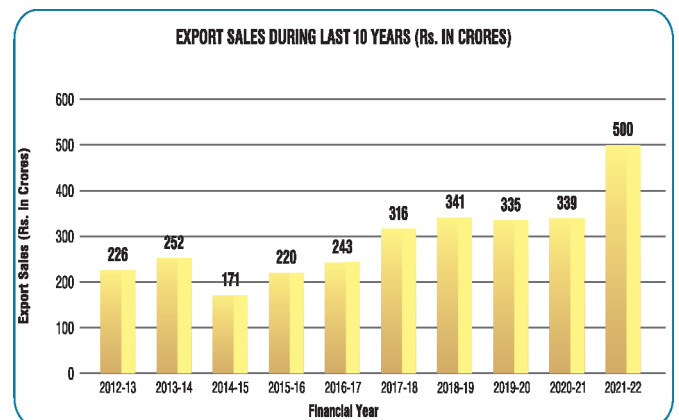
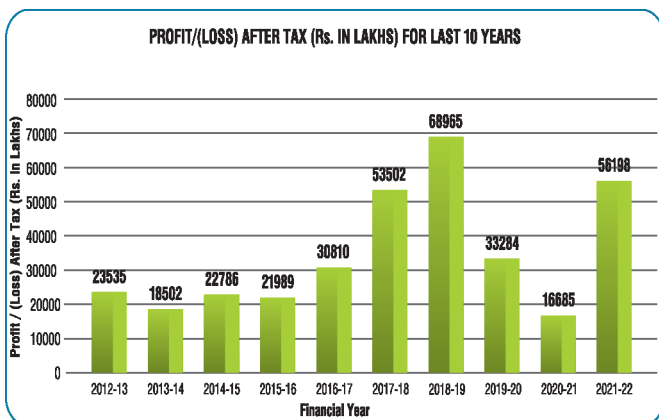
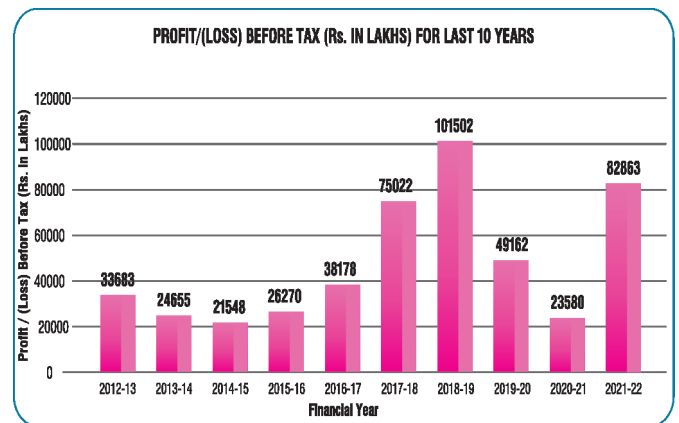
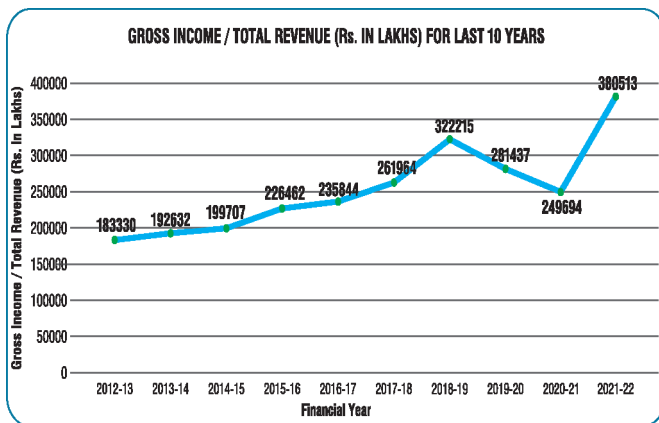
6. QUARTERLY COMPLIANCE REPORT:

The Company has submitted Corporate Governance Compliance Report in the prescribed format for each quarter during the Financial Year 2021-22 to BSE Limited and National Stock Exchange of India Limited, where the Company’s Securities are listed, within twenty-one (21) days from the close of respective quarters.

7. FINANCIAL RESULTS – 2021-22:

[Rs. in Lakhs]

PARTICULARS	QUARTER				Total F. Y. 2021-22
	I	II	III	IV	
Total Income	73,169	84,734	1,07,762	1,14,847	3,80,512
Total Expenses	(58,948)	(68,332)	(70,864)	(79,112)	(2,77,256)
Profit Before Interest, Depreciation and Tax	14,221	16,402	36,898	35,735	1,03,256
Interest	(226)	(134)	(136)	(119)	(615)
Depreciation	(4,683)	(4,874)	(4,996)	(5,225)	(19,778)
Profit Before Tax	9,312	11,394	31,766	30,391	82,863
Less :- Provision for Tax	(2,962)	(3,890)	(11,588)	(8,225)	(26,665)
Profit After Tax	6,350	7,504	20,178	22,166	56,198
Other Comprehensive Income	25,352	(2,878)	5,007	(25,118)	2,363
Total Comprehensive Income	31,702	4,626	25,185	(2,952)	58,561
Earning Per Share (Not Annualized)	8.65	10.22	27.47	30.19	76.53



8. DISCLOSURE OF ACCOUNTING TREATMENT:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act as amended from time to time.

9. INSIDER TRADING:

Pursuant to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”), the Board of Directors at its Meeting held on 26th May, 2015 had adopted the Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

SEBI has vide it’s various Notifications further amended the PIT Regulations. As per the amended provisions of the PIT Regulations, the Board of Directors amended the Policies viz., 1. Code of Conduct to Regulate, Monitor and Report Trading by Insiders and 2. the Code of Practices and Procedures of Fair Disclosure of Unpublished Price Sensitive Information (UPSI). The Board also formulated Whistle Blower Policy in case of leak or suspected leak of UPSI and Policy for determination of legitimate purposes which are part of 1 and 2 Policies referred above. The said Policies are available on the Website of the Company at Weblink :

https://gacl.com/upload_files/92091_Code%20of%20Conduct%20-%20Website.pdf and

https://gacl.com/upload_files/9acb0_corporate_disclosure.pdf

The Closure of Trading Window starts immediately on close of the quarter till 48 hours (Forty Eight Hours) after the declaration of financial results.

The Company had communicated Do’s and Don’ts for prohibition of Insider Trading to all the designated persons for creating awareness on the PIT Regulations so that designated persons can comply with various requirements before doing trading in the securities of the Company. The same is also placed on Intranet (an e-portal of employees of the Company) under Notice Board section.

During the period 26.04.2021 to 30.04.2021 & on 13.05.2021, the Company has organized awareness cum training programmes through various Webinars on Prohibition of Insider Trading for all the designated employees to comply with various requirements before doing trading in the securities of the Company. Further, as a part of Induction Program to the new joinees, we have introduced one of the sessions on “Prohibition of Insider Trading” to create awareness amongst the new joinees.

The said webinars were attended by 95 Designated Employees of the Company out of the total Designated Employees i.e. 215.

The Company Secretary & Chief General Manager (Legal, CC & CSR) is designated as the Compliance Officer for this purpose.

10. DISCLOSURE OF MATERIAL TRANSACTIONS TO THE BOARD BY SENIOR MANAGEMENT:

The senior management personnel give disclosure on annual basis to the Board for all material financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large. As per the disclosures received, no such transaction has taken place during the Financial Year 2021-22.

11. MEANS OF COMMUNICATION:

Financial Results of the Company are published in the following newspapers:

Period	Date of approval by the Board	Date of Publication	Newspapers
Standalone & Consolidated Unaudited Financial Results for 1 st Quarter ended on 30.06.2021.	10.08.2021	11.08.2021	Business Standard (English) – All India Editions Loksatta (Gujarati), Vadodara
Standalone & Consolidated Unaudited Financial Results for 2 nd Quarter ended on 30.09.2021.	03.11.2021	04.11.2021	Financial Express (English) – All India Editions Financial Express (Gujarati) – All Gujarat Editions

Standalone & Consolidated Unaudited Financial Results for 3 rd Quarter ended on 31.12.2021.	08.02.2022	09.02.2022	Business Standard (English) – All India Editions Loksatta (Gujarati), Vadodara
Standalone & Consolidated Audited Financial Results for 4 th Quarter and for the financial year ended on 31.03.2022.	24.05.2022	25.05.2022	Financial Express (English) – All India Editions Financial Express (Gujarati) – All Gujarat Editions

Shareholders' Information is available on the Company's website (<https://www.gacl.com>) under "Investors" Section. Annual Report, latest Shareholding Pattern, Quarterly, Half Yearly and Annual Financial Results are available under the said section. Full Annual Report is sent to each shareholder at his / her e-mail ID.

Official news releases, media releases and other updates are sent to the Stock Exchanges. The Conference Call Transcript with analysts / Presentation to Investors / Analysts are available on the website of the Company.

12. OTHER DISCLOSURES:

12.1 Disclosure on materially significant related party transactions i.e., transactions of the Company of material nature, with its Promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.

The Company does not have any materially significant related party transaction, which may have potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in Note No. 38 of Notes to Accounts.

As per Notification no. SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018 and as per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Board of Directors of the Company at its Meeting held on 31st January, 2019 has amended "Related Party Transactions Policy". Further, In line with recent amendments in the Listing Regulations, the Policy on Related Party Transactions was amended by the Board of Directors of the Company at its Meeting held on 10th August, 2021 which was further amended by the Board of Directors of the Company at its Meeting held on 08th February, 2022 and the same is available on the Company's Website at Weblink: https://gacl.com/upload_files/37a3e_Related%20Party%20Transaction.pdf

12.2 Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with the requirements of regulatory authorities on capital markets and no penalties/ strictures have been imposed against it during the last three years.

12.3 Details of Policy for determining material subsidiaries.

Effective from 1st April 2020, GACL-NALCO Alkalies & Chemicals Pvt. Ltd., has become "Material Subsidiary" of the Company as per criteria laid down under Regulation 16 (1) (c) read with Regulation 46 (2) (h) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to "Material Subsidiary". As per Notification no. SEBI/LAD-NRO/GN/2018/10 dated 9th May, 2018 and as per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Board of Directors of the Company at its Meeting held on 31st January, 2019 has formulated Policy on Material Subsidiary, which was further amended w.e.f. 1st July, 2021 to align with the Listing Regulations. The same is available on the Company's Website at Weblink: https://gacl.com/upload_files/25c45_policy_on_material_subsidaries.pdf

12.4 Whistle Blower Policy and affirmation that no personnel were denied access to the Audit Committee.

The Company has formulated a Vigil Mechanism-cum-Whistle Blower Policy ("Policy") as per the requirements of Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The Policy is applicable to all the Directors and employees of the Company.

As per the said Policy, protected disclosures can be made by whistle blower to the Chairman of the Audit Committee. No personnel have been denied access to the Audit Committee and that the Company has provided protection to whistle blower from adverse personnel action.

12.5 Disclosure on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- No. of Complaints filed during the F. Y. 2021-22. - NIL
- No. of Complaints resolved during F. Y. 2021-22.- NIL
- No. of Complaints pending at the end of F. Y. 2021-22 - NIL



- 12.6 Details of utilization of fund raised through Preferential Allotment or Qualified Institutional Placement as specified u/s 32(SA) - N.A.
- 12.7 None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Director by SEBI / MCA / Statutory Authorities and the same has been confirmed by Shri Niraj Trivedi, Practicing Company Secretary in his Certificate which is attached to this Report.
- 12.8 Total fees paid by the Company and its subsidiary "GACL-NALCO Alkalies & Chemicals Private Limited" ("GNAL") to M/s. K.C Mehta & Co., Statutory Auditors of the Company and of GNAL is Rs. 15.26 lakhs.
- 12.9 The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all the amendments from time to time.
- 12.10 Details of Loans and advances by Company and its subsidiary in the nature of loans to firms/companies in which Directors are interested by name and amount is given in Note No. 38 of the Financial Statement.

13. GENERAL INFORMATION FOR MEMBERS:

Detailed information in this regard is provided hereafter in the 'General Information for Members' section which forms part of this Report.

14. MANAGING DIRECTOR AND CFO CERTIFICATION:

Managing Director and Chief Financial Officer (CFO) have issued necessary certificate as per Regulations 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as specified in Part 'B' in Schedule II and the same is annexed and forms part of this Report.

B. DISCRETIONARY REQUIREMENTS

The status of discretionary requirements adopted by the Company is as under:

(1) CHAIRMAN OF THE BOARD:

The Chairman of the Board is a Non-Executive Chairman. The Company does not bear expenses towards maintenance of Chairman's Office.

(2) UNMODIFIED OPINION:

The Company has complied with the requirements for the Financial Statements for F.Y. 2021-22. The Statutory Auditors have given unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting.

(3) SEPARATE POST OF CHAIRPERSON AND CEO:

The Company has separate persons for the posts of Chairperson and Chief Executive Officer / Managing Director.

Declaration by Managing Director 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 as per Regulations 17 (5) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Directors and Senior Management Personnel have affirmed compliance with the said Code of Conduct of the Company for the Financial Year 2021-22.

For **GUJARAT ALKALIES AND CHEMICALS LIMITED**

Sd/-

Harshad R Patel, IAS

Managing Director

Place : Vadodara

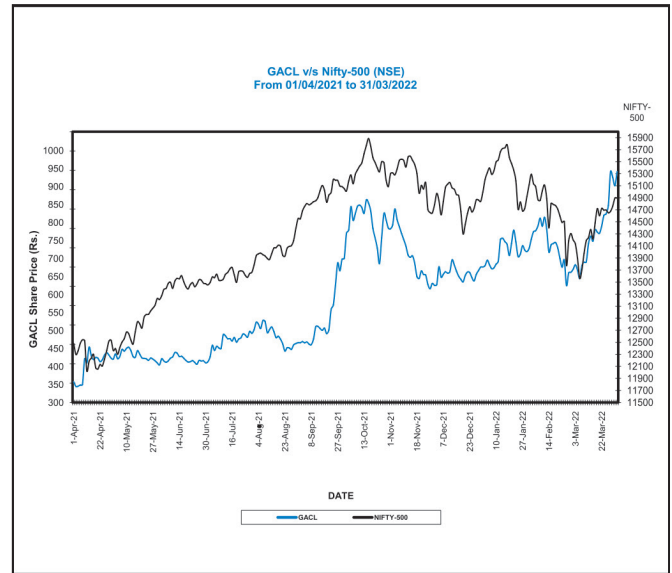
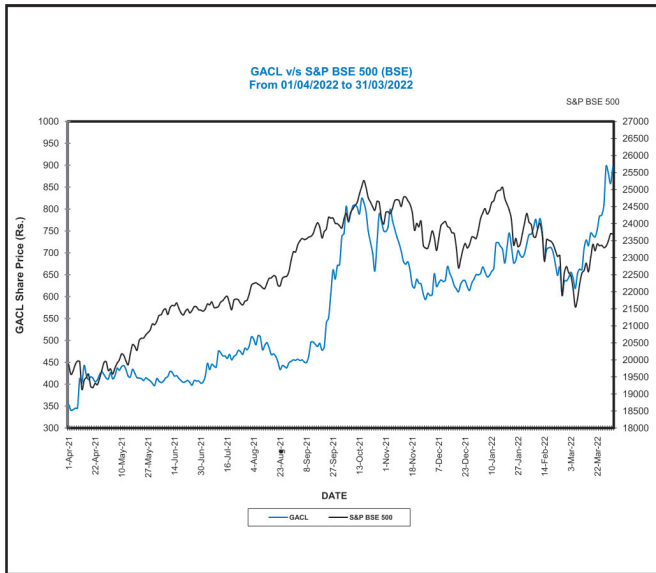
Date : 16.05.2022

GENERAL INFORMATION FOR MEMBERS

1. **Financial Year of the Company** : 1st April, 2021 to 31st March, 2022
2. **Day, Date and Time of 49th AGM** : Thursday, the 29th September, 2022 at 11:30 A.M
3. **Venue of AGM** : Through Video Conference/Other Audio Visual Means as set out in the Notice convening the Annual General Meeting.
4. **Dates of Book Closure** : From Friday, 23rd September 2022 to Thursday, 29th September, 2022 (Both days inclusive).
5. **Dividend payment date** : On or after Monday, 3rd October, 2022
6. **Listing on Stock Exchanges** : **BSE Ltd.** **National Stock Exchange of India Ltd.**
Phiroze Jeejeebhoy Towers "Exchange Plaza"
Dalal Street, Fort, Bandra-Kurla Complex, Bandra (East)
Mumbai : 400 001. Mumbai : 400 051.
(Scrip Code : 530001) (Scrip Symbol : GUJALKALI)
(Scrip ID : GUJALKALI)
7. **Annual Listing Fees** : The Company has paid Annual Listing Fees for the Financial Years 2021-22 and 2022-23 to BSE Ltd. and National Stock Exchange of India Ltd.
8. **Company's ISIN No. with NSDL & CDSL** : INE186A01019
9. **No. of Employees** : 1538
10. **Stock Market Data** : Monthly high and low market price and the volume of shares traded at the BSE Ltd. and National Stock Exchange of India Ltd. are as follows:



Month	BSE Ltd.			National Stock Exchange of India Ltd.		
	High (Rs.)	Low (Rs.)	Volume (No.of Shares)	High (Rs.)	Low (Rs.)	Volume (No.of Shares)
April, 2021	469.15	338.45	1556854	469.40	338.60	25896296
May, 2021	457.00	401.35	860502	457.00	401.40	10363806
June, 2021	438.00	395.90	685756	438.00	396.00	8793040
July, 2021	493.65	401.00	1715338	493.70	401.00	24872852
August, 2021	523.00	423.30	1231765	525.00	422.65	12497401
September, 2021	687.10	448.40	1776705	688.00	448.50	33413446
October, 2021	845.50	633.40	1668413	846.00	604.00	19811464
November, 2021	818.00	568.70	735367	820.00	569.00	6461810
December, 2021	682.15	595.60	505318	682.90	595.00	6482190
January, 2022	757.05	643.00	723687	757.90	641.10	8624558
February, 2022	824.40	598.95	1084496	808.00	598.30	10729560
March, 2022	926.00	611.00	1480354	926.50	613.60	20522433
Total			1,40,24,555			18,84,68,856
Average 2021-22	660.08	504.92		659.37	502.43	
Average 2020-21	364.40	304.85		364.45	304.35	



11. REGISTRAR & SHARE TRANSFER AGENT:

Link Intime India Pvt. Ltd., Vadodara is the Registrar & Share Transfer Agent (R & T Agent) of the Company. The contact details of R & T Agent are given as under:

LINK INTIME INDIA PRIVATE LIMITED (UNIT: GACL)

B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara: 390 020 (GUJARAT) Phone : (0265)-2356573, 6136000 E-mail : vadodara@linkintime.co.in Website : www.linkintime.co.in

Shareholders holding shares in Physical mode should communicate to the said R&T Agent of the Company at the above address for Transmission, Transposition, Deletion of Name, Consolidation, Sub-division, Issue of Duplicate Share Certificates, Nomination, Change of Address & Bank details etc.

12. Share Transfer System:

As per SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 and SEBI circular no. PR No.: 51/2018 dated 3rd December, 2018 transfer of shares in physical mode were allowed up to 31.03.2019 and w.e.f. 01.04.2019, transfer of shares of Listed Company can only be effected in the dematerialized form.

Hence, the R & T Agent of the Company has stopped accepting any fresh lodgement of transfer of shares in physical form. Shareholders hold shares in physical form are advised to avail the facility of dematerialisation.

Requests for transmission or deletion of name or Change in name etc. in case of physical share certificates are processed by the R & T Agent of the Company and are approved by the approving authority as per the powers delegated by the Stakeholders' Relationship-cum-Investors' Grievance Committee of Directors of the Company. The service requests of such nature are generally processed within a period of fifteen (15) days from the date of receipt of the relevant documents by the R & T Agent of the Company.

During the Financial Year 2021-22, 55 equity shares were transferred that were lodged prior to 1st April, 2019 and re-lodged thereafter, received before the cut-off date i.e. 31st March, 2021 in terms of SEBI Circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7th September, 2020 read with SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated 2nd December, 2020. 55,711 equity shares were dematerialized (including 18,807 physical shares transferred to IEPF through Corporate Action) No equity shares were rematerialized.

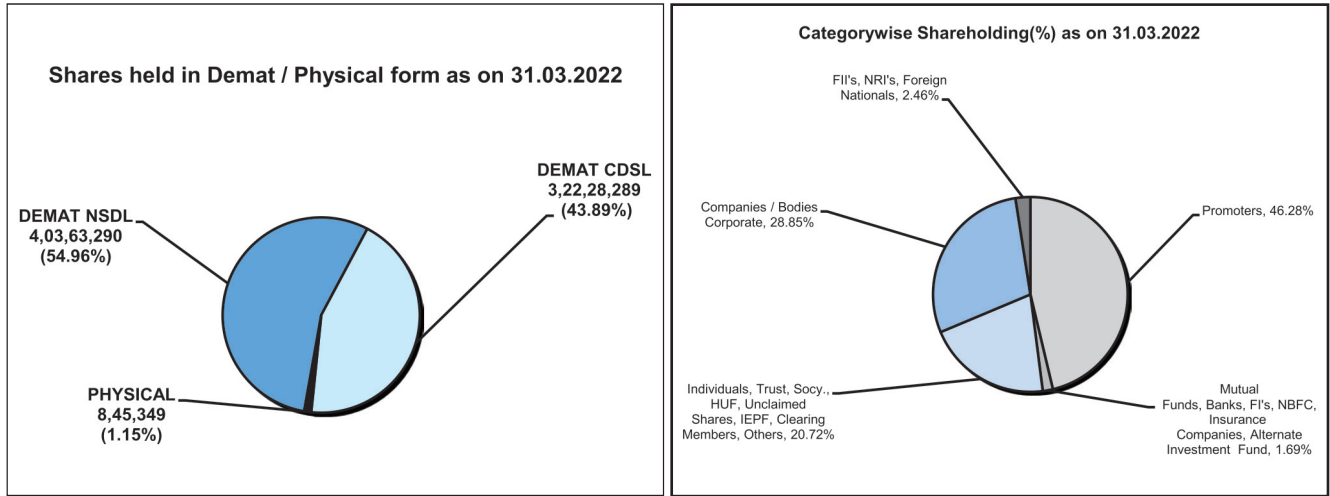
Shareholders KYC update provisions may be inserted here or reference may be drawn here in respect of details provided in the Notice of AGM.

13. (A) Distribution of Shareholding as on 31st March, 2022.

No. of Equity Shares held	No. of Shares	% of Shareholding	No. of Shareholders	% of Shareholders
Upto 500	5677767	7.73	75403	94.11
501 to 1,000	2081057	2.83	2769	3.46
1,001 to 2,000	1646944	2.24	1144	1.43
2,001 to 3,000	748661	1.02	299	0.37
3,001 to 4,000	508622	0.69	144	0.18
4,001 to 5,000	415423	0.57	89	0.11
5,001 to 10,000	1088670	1.48	150	0.19
10,001 to 50,000	1675776	2.28	88	0.11
50,001 to 1,00,000	746474	1.02	11	0.01
1,00,001 and above	58847534	80.13	23	0.03
TOTAL as on 31-03-2022	7,34,36,928	100.00	80,120	100
TOTAL as on 31-03-2021	7,34,36,928	100.00	66,633	100

(B) Summary of Shareholders & Shares held in Physical and Demat mode as on 31st March, 2022:

PARTICULARS	PHYSICAL	DEMAT		TOTAL
		NSDL	CDSL	
Total Shareholders (No.)	8208	33413	38499	80,120
Percentage (%)	10.25	41.70	48.05	100.00
Total Shares (No.)	845349	40363290	32228289	7,34,36,928
Percentage (%)	1.15	54.96	43.89	100.00



14. Category of Shareholders as on 31st March, 2022:

Category	Shareholders	Percentage (%)	Physical Holding	Electronic Holding	Total Shares	Percentage (%)
Promoters	7	0.01	-	3,39,86,310	3,39,86,310	46.28
Directors & their relatives	-	-	-	-	-	-
Mutual Funds, Banks, FI's, NBFC	27	0.03	1,025	22,643	23,668	0.03
Insurance Companies	3	0.00	50	11,17,061	11,17,111	1.52
Individuals	76,874	95.95	7,79,333	1,32,78,216	1,40,57,549	19.14
Companies/ Bodies Corporate	447	0.56	3,792	2,11,79,504	2,11,83,296	28.85
FI's, NRI's, Foreign Nationals	1,264	1.58	2,421	18,07,503	18,09,924	2.46
Trusts	4	0.00	52,094	936	53,030	0.07
Unit Trust of India	-	-	-	-	-	-
Co-operative Societies	9	0.01	6,377	-	6,377	0.01
HUF	1,296	1.62	257	5,25,436	5,25,693	0.72
Unclaimed Shares	1	0.00	-	388	388	0.00
IEPF Authority	1	0.00	-	2,61,366	2,61,366	0.36
Clearing Members	181	0.23	-	3,12,387	3,12,387	0.43
Alternate Investment Fund	5	0.01	-	97,150	97,150	0.13
Central Government (Official Liquidator A/C of Kirloskar Investments and Finance Limited)	1	0.00	-	2,679	2,679	0.00
Total	80,120	100.00	8,45,349	7,25,91,579	7,34,36,928	100.00

15. Outstanding Global Depository Receipts (GDR) of American Depository Receipts (ADR) or warrants or any convertible instruments, conversion date and likely impact on equity: NIL / NOT APPLICABLE

16. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

Risk Management Policy of the listed entity with respect to commodities including through hedging:

During the year ended March 31, 2022, the Company has not hedged the Foreign Currency. In order to mitigate the Forex Risk, the Company has opened Exchange Earners' Foreign Currency Account (EEFC) US Dollar account as per RBI Guidelines to deposit the export earnings in the said account and to utilize the same for making US Dollar repayments towards interest and principal amount of ECB Loans. This mitigates the risk of volatility of INR

vis-à-vis USD. The Company strives to increase USD exports, so as to generate sufficient reserves of USD in this account to meet repayment obligations.

The Company has adequate risk assessment and minimization system in place including for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure for offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated November 15, 2018.

Details of foreign currency transactions are disclosed in Note Nos. 2.7,17,37.5 and 42 to the Financial Statements.

17. CREDIT RATING :

The Company's financial discipline and prudence is reflected in the strong Credit Rating described by Rating Agency viz. M/s. CARE Ratings Limited (CARE) as per the following particulars:

Instrument	Rating Agency	Rating	Date of Rating
Long Term Bank Facilities	CARE Ratings Limited (CARE)	CARE AA+ (Double A Plus)	CARE Letter No. CARE/ARO/RL/2021-22/1420 dated 30 th June, 2021
Short Term Bank Facilities		CARE A1+ (A One Plus)	
Commercial Paper Issue aggregating to Rs.100 Crore	CARE Ratings Limited (CARE)	CARE A1+ (A One Plus)	CARE Letter No. CARE/ARO/RL/2021-22/1421 dated 30 th June, 2021

18. List of shareholders holding more than 1% of the total Share Capital of the Company as on 31st March, 2022.

Sr. No.	Shareholder's Name	No. of Shares held	Percentage (%)
1	LOK PRAKASHAN LTD	16215732	22.08
2	GUJARAT STATE INVESTMENTS LIMITED	15329373	20.87
3	GUJARAT INDUSTRIAL INVESTMENT CORPORATION LIMITED	7119028	9.69
4	GUJARAT MINERAL DEVELOPMENT CORPORATION LTD	4145433	5.64
5	GUJARAT INDUSTRIAL DEVELOPMENT CORPORATION	2897740	3.95
6	GUJARAT MARITIME BOARD	2734719	3.72
7	GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LTD.	1759996	2.40
8	GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED	1655040	2.25
9	SHREYANS SHANTILAL SHAH	1360407	1.85
10	GUJARAT INDUSTRIES POWER COMPANY LTD.	1103360	1.50
11	THE NEW INDIA ASSURANCE COMPANY LIMITED	976951	1.33
12	MERIDIAN CHEM BOND PRIVATE LIMITED	855601	1.17

PLANT LOCATIONS :

ADDRESS FOR CORSPONDENCE:

(1) **VADODARA COMPLEX & COELHO COMPLEX**
P.O.: Ranoli : 391 350
Dist.: Vadodara,
GUJARAT (INDIA)

(2) **DAHEJ COMPLEX-1**
Village : Dahej : 392 130
Taluka : Vagra,
Dist. : Bharuch
GUJARAT (INDIA)

(3) **DAHEJ COMPLEX - 2 :**
Plot No. DII/9, GIDC Dahej, PCPIR,
Near GNFC-TDI Plant,
Village: Rahiad, Taluka: Vagra,
Dist.: Bharuch,
GUJARAT-392 130, INDIA

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
GUJARAT ALKALIES AND CHEMICALS LIMITED
(CIN: L24110GJ1973PLC002247)
P.O.: RANOLI
DIST.: VADODARA -391350

Dear Sir / Madam,

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **GUJARAT ALKALIES AND CHEMICALS LIMITED** having CIN - L24110GJ1973PLC002247, having registered office at P.O. Ranoli : 391 350, Dist.: Vadodara (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers and considering the relaxation granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to spread of the Covid-19 pandemic. I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Shri Pankaj Kumar, IAS	00267528	07.09.2021
2.	Shri M.K. Das, IAS	06530792	03.08.2017
3.	Shri J.P. Gupta, IAS	01952821	15.12.2021
4.	Shri Rajiv Lochan Jain	00161022	06.01.2016
5.	Shri S B Dangayach	01572754	09.08.2019
6.	Shri Nitin Shukla	00041433	24.03.2022
7.	Shri Harshad R Patel, IAS	08101424	07.02.2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the basis of our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Signature : **Sd/-**
Name of PCS : NIRAJ TRIVEDI
FCS : 3844
C. P. No. : 3123
P.R. No. : 1014/2020
UDIN : F003844D000758389

Place : Vadodara
Date : 4th August, 2022

CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Regulation 34(3) and Schedule V Para E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
GUJARAT ALKALIES AND CHEMICALS LIMITED
(CIN: L24110GJ1973PLC002247)
P.O.: RANOLI - 391350, DIST.:VADODARA

Dear Sir / Madam,

We have examined the compliance of the conditions of Corporate Governance by **M/s. GUJARAT ALKALIES AND CHEMICALS LIMITED** having CIN - L24110GJ1973PLC002247, having registered office at P.O. Ranoli : 391 350, Dist.: Vadodara (hereinafter referred to as 'the Company') for the Financial Year ended on March 31, 2022 as stipulated in Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 collectively referred to as "SEBI Listing Regulations, 2015".

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance.

It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We state that as per the records maintained, no investor complaint/grievances against the Company are pending for a period exceeding one month before Stakeholders' Relationship-cum-Investors' Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Sd/-
Niraj Trivedi

Company Secretary
C P. No.: 3123

P.R. No. 1014/2020

UDIN : F003844D000758411

Place : Vadodara
Date : 4th August, 2022



CERTIFICATION BY MANAGING DIRECTOR AND CFO TO THE BOARD OF DIRECTORS

- a) We have reviewed the Balance Sheet and Statement of Profit and Loss and Notes on Accounts as well as the Cash Flow Statement for the year ended on 31st March, 2022 and certify that to the best of our knowledge and belief :
- i) these statements do not contain any materially untrue statement or omit any material fact nor contain statement that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative to the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and that we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of which such internal controls, if any, of which we are aware, and the steps we have taken or proposed to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee :
- i) significant changes in internal controls over financial reporting during the year;
 - ii) significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
(HARSHAD R PATEL, IAS)
MANAGING DIRECTOR

Sd/-
(CA. VINAYAK KUDTARKAR)
GENERAL MANAGER (FINANCE) &
CHIEF FINANCIAL OFFICER

Place : Gandhinagar

Date : 24th May, 2022

INDEPENDENT AUDITORS' REPORT

To The Members of
Gujarat Alkalies and Chemicals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Gujarat Alkalies and Chemicals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2022, and total comprehensive income (comprising of profit 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 standalone 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 Standalone 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 standalone 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1	<p>Valuation of Investments (Unquoted) (Refer to note 6 and 37.9.1 to the standalone financial statements)</p> <p>Investments in Equity and Securities Instruments (Unquoted) aggregates a significant amount of the Company's Total assets as at March 31, 2022.</p> <p>The Company measures its investments in Equity Instruments (Unquoted) at Fair Value through Other Comprehensive Income and its investment in Securities Instruments (Unquoted) at fair value through Profit and Loss as at the Balance Sheet date.</p> <p>Fair value is determined using valuation approach / methodology for which significant inputs are unobservable inputs (Level 3 inputs).</p> <p>The valuation approach / methodology adopted by the management in certain cases are single valuation methods and, in some cases, multiple valuation approaches, and hence involve significant judgment as regards the methods and inputs used.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures included:</p> <ol style="list-style-type: none"> 1) Evaluated and tested the design and operating effectiveness of the key controls implemented by the Company with respect to the valuation of Investments in Equity and Securities instruments (unquoted), inter alia controls around: <ol style="list-style-type: none"> a) periodic review by management of the risks of the valuation approach/ methodology; b) the verification and validation of unobservable inputs; c) selection and competence evaluation of external valuer; 2) Involved the Internal fair value specialist and: <ol style="list-style-type: none"> a) Assessed the reasonableness of the valuation approach / methodology and inputs used; b) Assessed the reasonableness of the valuation results determined by the external valuer. <p>Conclusion:</p> <p>Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation and disclosure of the subject matter in standalone financial statements.</p>



Information Other than the Standalone 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, Management Discussion and Analysis, Corporate Governance Report and Shareholder's Information but does not include the standalone 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 standalone financial 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 standalone 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 standalone 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 Standalone 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 standalone 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 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 standalone 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 standalone 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 standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 standalone 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, 2022, taken on record by the Board of Directors, none of the

directors is disqualified as on March 31, 2022, 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 standalone 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:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act; and

- h. the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements – refer Note 43 to the standalone financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses as at March 31, 2022;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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(s) or entity(ies), 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, other than as disclosed in the notes to the accounts, no funds have been received by



- the company from any person(s) or entity(ies), including foreign entities ("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; and
- (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. As stated in Note 15(v) to the standalone financial statements
 - (a) The final dividend proposed in the previous year, declared and paid by the company

during the year is in accordance with section 123 of the Act, as applicable

- (b) The Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **K.C. Mehta & Co.**
Chartered Accountants
Firm's Registration No. 106237W

Pritesh Amin
Partner

Place: Vadodara
Date: May 25, 2022

Membership No. 105926
UDIN: 22105926AJPRRF5651

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in our Independent Auditors' Report to the members of **Gujarat Alkalies and Chemicals Limited** ("the Company") on the standalone financial statements for the year ended March 31, 2022, 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 program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. 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 the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds,

comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

- 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, there were no discrepancies of 10% or more in the aggregate for each class of inventory on physical verification of inventory as compared to the book records.

- b) According to the information and explanations given to us, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks are in agreement with the books of accounts of the Company.
- iii. In respect of Investments made, guarantee or security provided or grant of loans and advances in the nature of loans, secured or unsecured to companies, firms, Limited liability partnerships or any other parties :

- a) In our opinion and according to the information and explanations given to us, the Company has granted loans or provided advances in the nature of loans during the year to the following entities:

Particulars	Amount (Rs. in Lacs)
Aggregate amount granted/ provided during the year:	
-Joint Venture	Nil
-Others	7,500
Balance outstanding as at balance sheet date in respect of above cases:	
-Joint Venture	Nil
-Others	5,000

The Company has not provided any guarantee or security to any entity during the year.

- b) The Investments made and the terms and conditions of the grant of loans and advances in the nature of loans are not prima facie prejudicial to the interest of the Company.
- c) There is no stipulation for payment of principal amount of loan and are repayable on demand. However the payment of interest is regular.
- d) Since there is no stipulation for payment of principal amount of loan, reporting for overdue

amount for more than ninety day under clause iii (e) and (f) of the Order is not applicable.

- e) The company has granted loans and advances in the nature of loans repayable on demand and without specifying any terms or period of repayment to related parties as defined in clause (76) of section 2 of the Companies Act, 2013, aggregating to Rs.5,000 lacs, percentage thereof to total loan is 96%.
- iv. The Company has not given any loans, investments, guarantees or security covered under Section 185 of the Act. In respect of the investments made, in our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act.
- 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. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- 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, employee's state insurance, income-tax, value added tax, cess and other material statutory dues applicable to it. Further, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employee's state insurance, income tax, value added tax, cess and any other statutory dues were in arrears, as at March 31, 2022, for a period of more than six months from the date they become payable.
- (b) Statutory Dues which have not been deposited on account of any dispute as on March 31, 2022 are as follows:

(Rs in lakhs)

Name of Statute	Nature of Dues	Forum where the Dispute is Pending	Period to which the Amount Relates	Amount Involved	Amount Unpaid
Gujarat Sales Tax Act, 1969	Sales Tax Liability (Including Purchase Tax Liability)	Joint Commissioner of Appeals	2000-01 to 2005-06	20,431.56	20,431.56
		Gujarat Sales Tax Tribunal	2002-03 to 2005-06	50.18	46.68
		Deputy Commissioner of State Tax Appeals	2016-17 to 2017-18	169.32	148.81
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	2009-10, 2013-14 to 2015-16	921.87	921.87
		High Court, Gujarat	2003-04 to 2006-07, 2007-08, 2009-10, 2010-11	8,047.88	Nil
		Supreme Court	2007-08	5,215.45	Nil
Finance Act, 1994	Service Tax	High Court	April 2010 to January 2015	74.61	68.08
		Central Excise and Service Tax Appellate Tribunal	October 2004 to June 2017	637.09	595.12
		Commissioner (Appeals)	April 2011 to February 2016	1.59	1.48
Central Excise Act, 1944	Central Excise	Central Excise and Service Tax Appellate Tribunal	January 2004 to June 2017	3,190.02	3,065.92
		High Court, Gujarat	1996-97 to 2001-02	1,719.66	462.12

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 government or any government authority.

(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, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(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 and hence reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) According to information and explanation given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) 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 material 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 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 based on our examination, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 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. In our opinion and according to the information and explanations given to us:
- (a) the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as covered under the requirements of the Reserve Bank of India Act, 1934.
- (c) the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India.
- (d) the Company does not have more than one Core Investment Companies which are part of the Group;
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 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 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. (a) There are no unspent amounts towards Corporate Social responsibility on other than ongoing projects requiring a transfer to a fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the company has transferred unspent Corporate Social Responsibility amount as at the end of the Balance sheet date to special account within period of 30 days from the end of the said financial year in compliance with the provision of sub-section (6) of section 135 of the said Act.

For **K.C. Mehta & Co.**
Chartered Accountants
Firm's Registration No. 106237W

Pritesh Amin
Partner

Place: Vadodara
Date: May 25, 2022

Membership No. 105926
UDIN: 22105926AJPRRF5651

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 **Gujarat Alkalies and Chemicals Limited** on the standalone 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 standalone financial statements of **Gujarat Alkalies and Chemicals Limited** (“the Company”) as of March 31, 2022, in conjunction with our audit of the standalone 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 standalone 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 Standards 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone 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 standalone 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 standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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 standalone financial statements were operating effectively as at March 31, 2022, 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 **K.C. Mehta & Co.**
Chartered Accountants
Firm's Registration No. 106237W

Place: Vadodara
Date: May 25, 2022

Pritesh Amin
Partner
Membership No. 105926
UDIN: 22105926AJPRRF5651



STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2022

[Rs. in Lakhs]

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
I ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	2,60,226.79	2,50,120.96
(b) Right of use asset	3	9,493.11	8,031.94
(c) Capital work-in-progress	3	1,78,735.04	1,10,941.76
(d) Other Intangible assets	4	444.85	532.88
(e) Financial Assets			
(i) Investments			
(a) Investment in Joint Venture	5	41,400.00	41,400.00
(b) Other Investments	6	1,67,801.13	1,62,991.35
(ii) Loans	7	70.87	94.12
(iii) Other Financial assets	8	2,468.93	2,361.86
(f) Non-Current Tax Assets (Net)	9	17,164.13	10,824.20
(g) Other non-current assets	10	11,048.81	19,582.92
Total Non - current assets		6,88,853.66	6,06,881.99
(2) Current assets			
(a) Inventories	11	35,313.69	22,572.25
(b) Financial Assets			
(i) Other Investments	6	2,273.30	5,142.89
(ii) Trade receivables	12	30,264.19	28,897.01
(iii) Cash and cash equivalents	13	29,771.28	35,520.94
(iv) Bank balance other than (iii) above	14	191.12	176.97
(v) Loans	7	5,121.81	7,650.64
(vi) Other Financial assets	8	1,559.83	2,308.63
(c) Other current assets	10	4,908.72	6,588.66
Total Current assets		1,09,403.94	1,08,857.99
TOTAL ASSETS		7,98,257.60	7,15,739.98
General Information	1		
Significant Accounting Policies	2		

See accompanying notes forming part of financial statements.

3-49

As per our attached Report of even date.

For and on behalf of the Board

For **K. C. Mehta & Co.**
Chartered Accountants
Firm Reg. No. : 106237W

Harshad R. Patel, IAS
Managing Director
DIN No. : 08101424

Pankaj Kumar, IAS
Chairman
DIN No. : 00267528

Pritesh Amin
Partner
Membership No. 105926

Vinayak Kudtarkar
General Manager (Finance) &
Chief Financial Officer

S. S. Bhatt
Company Secretary &
Chief General Manager
(Legal & CC)

Place : Gandhinagar
Date : 24th May, 2022

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2022 (Contd.)

[Rs. in Lakhs]

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
II EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity Share capital	15	7,343.84	7,343.84
(b) Other Equity	16	5,83,101.43	5,30,415.02
Total Equity		5,90,445.27	5,37,758.86
(2) LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	54,896.22	43,330.68
(ii) Lease Liabilities	18	67.24	68.12
(b) Provisions	19	14,901.52	11,252.57
(c) Deferred tax liabilities (Net)	20	64,438.40	62,186.35
Total Non-current liabilities		1,34,303.38	1,16,837.72
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	4,437.45	6,361.41
(ii) Lease Liabilities	18	6.11	6.19
(iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	21	2,632.39	3,826.04
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	21	32,645.68	24,506.01
(iv) Other financial liabilities	22	22,877.02	20,799.64
(b) Other current liabilities	23	7,078.75	2,291.79
(c) Provisions	19	1,763.11	1,283.88
(d) Current Tax Liabilities (Net)	9	2,068.44	2,068.44
Total Current Liabilities		73,508.95	61,143.40
Total Liabilities		2,07,812.33	1,77,981.12
TOTAL EQUITY AND LIABILITIES		7,98,257.60	7,15,739.98
General Information	1		
Significant Accounting Policies	2		

See accompanying notes forming part of financial statements.

3-49

As per our attached Report of even date.

For and on behalf of the Board

For **K. C. Mehta & Co.**
Chartered Accountants
Firm Reg. No. : 106237W

Harshad R. Patel, IAS
Managing Director
DIN No. : 08101424

Pankaj Kumar, IAS
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Pritesh Amin
Partner
Membership No. 105926

Vinayak Kudtarkar
General Manager (Finance) &
Chief Financial Officer

S. S. Bhatt
Company Secretary &
Chief General Manager
(Legal & CC)

Place : Gandhinagar
Date : 24th May, 2022



STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

[Rs. in Lakhs]

Particulars	Note No.	Year Ended 31.03.2022	Year Ended 31.03.2021
I. Revenue from operations	24	3,75,873.59	2,42,948.06
II. Other Income	25	4,638.98	6,745.70
III. Total Income (I + II)		380,512.57	2,49,693.76
IV. Expenses:			
Cost of materials consumed	26	1,27,854.17	92,620.03
Purchase of Stock-in-Trade		513.14	1,657.13
Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(306.34)	(836.16)
Employee benefits expense	28	27,193.41	23,319.66
Finance costs	29	614.63	1,546.16
Depreciation and amortisation expense	30	19,778.39	17,436.06
Power, Fuel & Other Utilities	31	73,904.94	49,607.54
Other expenses	32	48,097.28	40,762.92
Total Expenses		2,97,649.62	2,26,113.34
V. Profit before Tax (III - IV)		82,862.95	23,580.42
VI. Tax expense	33		
(a) Current tax		26,946.97	5,661.72
(b) Deferred tax		(456.44)	1,682.26
(c) Net Tax Adjustment of earlier year		174.35	(448.64)
		26,664.88	6,895.34
VII. Profit for the year (V - VI)		56,198.07	16,685.08
VIII. Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Actuarial Gain / (Loss) on Gratuity		(2,157.80)	(251.89)
Deferred Tax Assets / (liabilities) on defined benefit obligation - Gratuity		754.02	88.02
Investment adjustment - FVTOCI		4,809.78	74,609.05
Deferred Tax Assets / (liabilities) on net fair value gain on investment in equity instruments at FVTOCI		(1,042.71)	(7,246.86)
Total Other Comprehensive Income (VIII)		2,363.29	67,198.32
IX. Total Comprehensive Income (VII + VIII)		58,561.36	83,883.40
X. Earning per equity share (face value Rs.10/-each):	34		
(1) Basic (Rs.)		76.53	22.72
(2) Diluted (Rs.)		76.53	22.72
General Information	1		
Significant Accounting Policies	2		

See accompanying notes forming part of financial statements.

As per our attached Report of even date.

For **K. C. Mehta & Co.**
Chartered Accountants
Firm Reg. No. : 106237W

Pritesh Amin
Partner
Membership No. 105926

Harshad R. Patel, IAS
Managing Director
DIN No. : 08101424

Vinayak Kudtarkar
General Manager (Finance) &
Chief Financial Officer

3-49

For and on behalf of the Board

Pankaj Kumar, IAS
Chairman
DIN No. : 00267528

S. S. Bhatt
Company Secretary &
Chief General Manager
(Legal & CC)

Place : Gandhinagar
Date : 24th May, 2022

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2022

[Rs. in Lakhs]

Particulars	2021-22	2020-21
A Cash Flow from Operating Activities	73,483.16	42,117.23
B Cash Flow from Investing Activities	(80,543.47)	(33,244.83)
C Cash Flow from Financing Activities	1,174.42	22,606.65
D Effect of unrealised exchange differences on translation of foreign currency cash and cash equivalents	136.23	(197.12)
E Cash and Cash Equivalents at the beginning of the year	35,520.94	4,239.01
F Cash and Cash Equivalents at the end of the year	29,771.28	35,520.94
G Total Cash Flow During the year (A+B+C+D) Or (F-E)	(5,749.66)	31,281.93
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit / (Loss) Before Tax	82,862.95	23,580.42
Adjustments For :		
Addition / (Deduction)		
Depreciation and Amortisation Expenses	19,778.39	17,436.06
Interest Income	(1,694.33)	(4,472.36)
Dividend Received	(1,918.93)	(1,574.60)
Interest Expense	614.63	819.84
Net (Profit) / Loss on Sale of Property Plant & Equipment	40.94	31.96
Net (Gain) / Loss arising from Financial Assets designated as FVTPL	(962.56)	2,253.92
Unrealised exchange (gain)/loss	22.46	(57.09)
Provision for Expected credit loss allowances	31.93	342.11
Provision for Gratuity/Leave	2,189.95	826.47
Stores and Spares W/off	805.36	66.96
Sub Total	18,907.84	15,673.27
Operating Profit Before Working Capital Changes	1,01,770.79	39,253.69
Decrease or (Increase) in Assets :		
Trade Receivables	(1,441.07)	8,139.42
Loans	52.08	68.11
Other Assets	1,617.98	(206.13)
Other Financial Assets	352.79	(879.94)
Inventories	(13,546.80)	988.23
Increase / (Decrease) in Liabilities :		
Trade Payables and Other Current Liabilities	11,795.08	(2,008.14)
Provisions	151.59	192.51
Other Financial Liabilities	3,772.17	1,873.49
Cash Generated from Operations Before Tax	1,04,524.61	47,421.24
Direct Taxes Paid	(31,041.45)	(5,304.01)
Net Cash Flow generated from Operating Activities : (Total - A)	73,483.16	42,117.23



STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

[Rs. in Lakhs]

Particulars	2021-22	2020-21
B CASH FLOW FROM INVESTING ACTIVITIES :		
Payment for Property, Plant & Equipment	(31,312.11)	(15,692.24)
Payment for Intangible Assets	(16.21)	(58.88)
Proceeds from disposal of Property, Plant & Equipment	110.50	350.64
Payment for Capital Work-in-progress	(59,559.88)	(63,714.97)
Payment for Investment in Joint Venture	-	(5,400.00)
Payment for Investments	-	(21,006.05)
Proceed from Sale of Investment	3,832.13	11,730.39
Interest Received	1,983.27	5,471.68
Dividend Received	1,918.93	1,574.60
Proceeds/Payment for Deposit	(0.10)	-
Proceeds/Payment for Short Term Deposits	2,500.00	53,500.00
Net Cash used in Investment Activities - (Total - B)	(80,543.47)	(33,244.83)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Interest and Finance charges paid	(596.47)	(871.15)
Dividend paid	(5,889.00)	(5,888.07)
Unpaid Dividend	14.05	13.12
Proceeds from Non-Current Borrowings	13,812.50	36,054.17
Repayment of Non-Current Borrowings	(6,285.07)	(6,506.50)
Proceeds/Repayment from/of Current Borrowings (Net)	125.05	(188.28)
Repayment of Lease Liabilities	(0.95)	(6.64)
Repayment of Lease Liabilities - Interest	(5.69)	-
Net Cash used in Financing Activities - (Total - C)	1,174.42	22,606.65
D EFFECT OF UNREALISED EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN CURRENCY CASH AND CASH EQUIVALENTS	136.23	(197.12)
E CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR :		
Cash and Cheques on Hand	3.34	3.51
Balances with Banks	2,517.60	4,235.50
Balances with Financial Institution	33,000.00	-
Net Cash and Cash Equivalents at the beginning of the year (Total - E)	35,520.94	4,239.01
F CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR :		
Cash and Cheques on Hand	3.61	3.34
Balances with Banks	4,767.67	2,517.60
Balances with Financial Institution	25,000.00	33,000.00
Net Cash and Cash Equivalents at the end of the year (Total - F)	29,771.28	35,520.94
G TOTAL CASH FLOW DURING THE YEAR (A+B+C+D) OR (F-E)	(5,749.66)	31,281.93

Note :-

- The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS -7 "Statement of Cash Flows".
- Changes in liability arising from financial activities:

Long term Borrowings	2021-22	2020-21
Opening Balance	49,666.88	20,267.63
Cash in flow - Receipt of New Borrowings	13,812.50	36,054.17
Cash out Flow - Repayment of Borrowings	(6,285.07)	(6,506.50)
Foreign Exchange and non-cash movement (net off)	1,989.10	(148.42)
Closing Balance	59,183.41	49,666.88

- Previous Year's figures have been regrouped / rearranged to confirm to the current years presentation, wherever necessary.

See accompanying notes forming part of financial statements. 1-49.

As per our attached Report of even date.

For **K. C. Mehta & Co.**
Chartered Accountants
Firm Reg. No. : 106237W

Harshad R. Patel, IAS
Managing Director
DIN No. : 08101424

For and on behalf of the Board
Pankaj Kumar, IAS
Chairman
DIN No. : 00267528

Pritesh Amin
Partner
Membership No. 105926

Vinayak Kudtarkar
General Manager (Finance) &
Chief Financial Officer

S. S. Bhatt
Company Secretary &
Chief General Manager
(Legal & CC)
Place : Gandhinagar
Date : 24th May, 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

[Rs. in Lakhs]

Particulars	Equity share capital	Retained Earnings				Other Comprehensive Income - Fair value of equity instrument	Total Other Equity	Total Equity
		Capital Reserve	General Reserve	Security premium	Retained Earnings			
Balance as at April 1, 2020	7,343.84	0.24	2,21,875.08	23,423.18	1,46,157.36	60,950.71	4,52,406.57	459,750.41
Changes due to prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2020	7,343.84	0.24	2,21,875.08	23,423.18	1,46,157.36	60,950.71	4,52,406.57	459,750.41
Profit for the year	-	-	-	-	16,685.08	-	16,685.08	16,685.08
Transfer to general reserve	-	-	8,342.54	-	(8,342.54)	-	-	-
Lease Financial Liabilities	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	(163.87)	67,362.19	67,198.32	67,198.32
Total Comprehensive income for the year	-	-	8,342.54	-	8,178.67	67,362.19	83,883.40	83,883.40
Dividend	-	-	-	-	(5,874.95)	-	(5,874.95)	(5,874.95)
Dividend distribution tax	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	7,343.84	0.24	2,30,217.62	23,423.18	1,48,461.08	1,28,312.90	5,30,415.02	537,758.86
Changes due to prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2021	7,343.84	0.24	2,30,217.62	23,423.18	1,48,461.08	1,28,312.90	5,30,415.02	537,758.86
Profit for the year	-	-	-	-	56,198.07	-	56,198.07	56,198.07
Transfer to general reserve	-	-	-	-	-	-	-	-
Lease Financial Liabilities	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	(1,403.78)	3,767.07	2,363.29	2,363.29
Total Comprehensive income for the year	-	-	-	-	54,794.29	3,767.07	58,561.36	58,561.36
Dividend	-	-	-	-	(5,874.95)	-	(5,874.95)	(5,874.95)
Dividend distribution tax	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	7,343.84	0.24	2,30,217.62	23,423.18	1,97,380.42	1,32,079.97	5,83,101.43	5,90,445.27

As per our attached Report of even date.

For and on behalf of the Board

For **K. C. Mehta & Co.**
Chartered Accountants
Firm Reg. No. : 106237W

Harshad R. Patel, IAS
Managing Director
DIN No. : 08101424

Pankaj Kumar, IAS
Chairman
DIN No. : 00267528

Pritesh Amin
Partner
Membership No. 105926

Vinayak Kudtarkar
General Manager (Finance) &
Chief Financial Officer

S. S. Bhatt
Company Secretary &
Chief General Manager
(Legal & CC)

Place : Gandhinagar
Date : 24th May, 2022



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Notes forming part of the Financial Statements

1. GENERAL INFORMATION

Gujarat Alkalies and Chemicals Limited (“the Company”) is a multi-product chemical manufacturing Company, having various products in its basket and is one of the leading manufacturer of Caustic Soda Lye.

The Company having CIN L24110GJ1973PLC002247 is a public limited company incorporated and domiciled in India and has its Registered Office at P. O. Ranoli – 391350, District Vadodara, Gujarat, India. The equity shares of the Company are listed on the BSE Limited and National Stock Exchange of India Limited.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Statement of Compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under Section 133 of Companies Act, 2013 (the “Act”) read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act as amended from time to time.

2.2. Application of New Indian Accounting Standard

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 2022. The Company is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the financial statements.

Indian Accounting Standard (Ind AS) 103 – Business Combinations – Qualifications prescribed for recognition of the identifiable assets acquired and liabilities assumed, as part of applying the acquisition method – should meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the ICAI at the acquisition date.

Modification to the exceptions to recognition principle relating to contingent liabilities and contingent assets acquired in a business combination at the acquisition date.

Indian Accounting Standard (Ind AS) 109 – Financial Instruments – Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities.

Indian Accounting Standard (Ind AS) 16 - Property, Plant and Equipment – Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.

Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent Liabilities and Contingent Assets – Modifications in application of recognition and measurement principles relating to onerous contracts.

2.3. Basis of Preparation of financial statements

The financial statements have been prepared, under the historical cost convention, on the accrual basis of accounting except for certain assets and liabilities which are measured at fair value/amortized cost/ present value at the end of each reporting period as explained in the accounting policies set out below. These accounting policies have been applied consistently over all the periods presented in these financial statements.

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

2.4. Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements 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 judgements 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

2.5. Revenue Recognition

2.5.a. Sale of Goods :

The Company derives Revenue primarily from sale of manufactured and traded products being “Chemicals”.

Revenue from the sale of products is recognised on satisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration the Company expects to receive in exchange of those products.

The performance obligation to transfer each distinct product consists of supplying the product to a named destination, handling charges and packing charges.

The Company accounts for discounts and incentives to customers as a reduction of revenue based on the proportionate allocation of the discounts / incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount / incentive. Also, when the level of discount varies with increase in level of revenue transactions, the Company recognizes the liability based on its estimate of the customer’s future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

The Company does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction price for the time value of money.

Sale of products excludes amounts of indirect taxes on sales.

2.5.b. Dividend and interest income :

Dividend income from investments is recognised when the shareholder’s right to receive the payment has been established.

Interest income from a financial asset 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 time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.5.c. Other Operating Income and Other Income :

Revenue with respect to Other Operating Income

and Other Income including insurance and other claims are recognised when a reasonable certainty as to its realisation exists.

2.6. Leasing

The Company as a Lessee:

The Company’s lease asset class primarily consist of leases for immovable properties. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if there is an explicit or implicit identified asset in the contract and Customer controls the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (1) the contract involves the use of an identified asset (2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized 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. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

ROU 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.

ROU 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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.7. Foreign Currencies

2.7.a. Functional Currency :

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to lakhs)

2.7.b. Transactions and translations :

In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration. 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 recognised in 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.

2.8. 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 recognised in the statement of profit and loss in the period in which they are incurred.

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent regarded as an adjustment to the interest costs. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.9. Employee Benefits

2.9.a. Short term 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, etc. and the expected cost of bonus, Ex-gratia, Leave Travel Allowance, Reimbursement of Medical Expenses, Personal Accident Policy, Deposit Linked Insurance Policy are recognised, undiscounted in the period in which the employee renders the related services.

2.9.b. Post-Employment Benefits :

2.9.b.1. Defined Contribution Plan :

The Company's contribution paid/payable during the year to Provident Fund, Superannuation Fund and other welfare funds are considered as defined contribution plans. The Contribution paid/ payable under these plans are recognised in the Statement of Profit and Loss during the period in which the employee renders the services. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

2.9.b.2. Defined Benefit Plans :

The Gratuity Scheme managed by Life Insurance Corporation of India through a Trust is considered as defined benefit plan. The present value of the obligation is determined based on actuarial valuation being carried out at each reporting date using the Projected Unit Credit Method.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Actuarial gains and losses are recognised immediately in other comprehensive income.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise it is amortized on straight-line basis over the remaining average period until the benefits become vested.

Interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

The defined retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by plan assets.

2.9.b.3. Long term Employee Benefits :

The obligation for long term employee benefits such as long term compensated absences, long service awards, etc. is recognised in the same manner as in the case of defined benefit plans as mentioned in (b) (ii) above except that the actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

2.10. Income Taxes

Income tax expense represents the sum of current tax and deferred tax.

2.10.a. 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 in accordance with applicable tax laws. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.10.b. Deferred Tax :

Deferred tax is recognised 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 recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credits to the extent that it is probable that taxable profits will be available against which these can

be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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 recovered.

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 realised, 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.

2.10.c. Current and Deferred Tax for the Year:

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

2.11. Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of PPE comprises of its purchase price or its construction cost (net of applicable tax credit, trade discount and rebate if any), Exchange rate variations attributable to the assets and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management and initial estimate of decommissioning costs. Direct costs are capitalized until the asset is ready for use and includes borrowing cost capitalised in accordance with the Company's accounting policy.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Depreciation method, Estimated Useful lives and residual value

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of the assets are as follows:

Asset	Useful Life
Buildings	20-60 years
Plant and Equipment	10-40 Years
Office Equipment	3 years
Furniture and Fixtures	5-10 years
Vehicles	8-10 years

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The useful life as prescribed under Schedule II of the Companies Act, 2013 have been followed except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

- Remembraning of Membrane cell elements-4 years
- Recoating of Anode and Cathode membrane cell elements- 8 years
- Leasehold land and equipment is amortised over the duration of the lease.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under Other Non-Current Assets and the cost of the assets not ready for intended use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from

the financial statements upon sale or retirement of the asset and the resultant gains or losses which are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

2.12. Intangible Assets

Intangible Assets acquired separately:

Intangible assets with finite useful life acquired separately, are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Amortisation is recognised on a straight-line basis over their estimated useful lives from the date they are available for use. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Subsequent expenditures are capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised in the Statement of Profit and Loss when the asset is derecognised.

RESEARCH AND DEVELOPMENT

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognised as an expense when it is incurred.

Useful Lives of Intangible Assets :

Estimated Useful lives of the Intangible assets are as follows:

Intangible Asset	Useful Life
Capitalised Development	5 Years
Computer Software	8 Years

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

2.13. Impairment of Tangible and Intangible Assets other than Goodwill

Intangible assets and property, plant and equipment 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 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 to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.14. Inventories

Inventories are stated at the lower of cost and net realisable value after providing for obsolescence, if any. Net realisable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale. Cost of inventories comprises of cost of purchase (net of recoverable taxes), cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Raw materials and other supplies held for use in production of finished products are not

written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Inventory cost formula is as under :

Inventories	Basis of Valuation and Cost Formula
Raw material	Landed cost at weighted average basis
Raw Material (Goods in transit)	At Cost on Basic Price
Work in Progress	Raw material, labour and appropriate proportion of manufacturing expenses and overheads as per stage of completion at weighted average.
Finished Goods (Including in Transit)	Raw material, labour and appropriate proportion of manufacturing expenses and overheads at weighted average.
Stores, spares, packing materials	Landed Cost Weighted average basis

2.15. Provisions, Contingent Liabilities and Contingent Assets

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

The amount recognised 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). If the time value of money is material, Provisions are discounted using pre-tax discount rate and when discounting is used, increase in the provision with the passage of time is recognised as a finance cost in the statement of Profit and Loss account.

A contingent liability is (a) a possible obligation that arises from past events and whose existence

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or (b) a present obligation that arises from past events but is not recognised because (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or (ii) the amount of the obligation can not be measured with sufficient reliability.

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.

A contingent asset is a possible asset that arises from the past events and whose existence will be confirmed only by the occurrence or non- occurrence of one or more of uncertain future events not wholly within the control of the entity.

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

2.16. 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 and Measurement:

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Effective interest method

The effective interest method is a method of calculating the amortised 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.

Subsequent Measurement

2.16.a. Non-derivative financial instruments :

2.16.a.1. 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.

2.16.a.2. Financial assets carried at amortised cost :

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

2.16.a.3. Financial assets at fair value through Other Comprehensive Income (FVTOCI) :

A financial asset is 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.

On derecognition of such Financial assets, cumulative gain or loss previously recognised in Other Comprehensive Income is not reclassified from the equity to statement of Profit and Loss.

2.16.a.4. Financial assets at fair value through profit or loss (FVTPL) :

A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.

2.16.a.5. Investment in Joint Venture :

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company accounts for its investment in joint venture at cost.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

2.16.a.6. Financial liabilities :

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Interest bearing issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

2.16.a.7. Derecognition of financial instruments :

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. On derecognition of Financial assets (except as mentioned in 2.17.a.3), the difference between the carrying amount and the consideration received is recognised in the statement of Profit and Loss account. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.16.a.8. Offsetting Financial Instruments :

Financial assets and liabilities are offset and the net amount is presented in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.17. Share capital

Ordinary Shares :

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognized as a deduction from equity, net of any tax effects.

2.18. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, which gives highest priority to quoted prices in active markets and the lowest priority to unobservable inputs.

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for inputs other than quoted prices included within Level 1 that are observable for the asset or Liability either directly or indirectly.

Level 3 — Valuation techniques for inputs that are unobservable for the asset or liability.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.19. Impairment of Financial Assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not measured at fair value 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 recognised as an impairment gain or loss in the statement of profit and loss.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

entity expects to receive, discounted at the effective interest rate.

ECL are measured taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

For Trade receivables, the Company uses a provision matrix to measure lifetime ECL on its portion of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward looking estimates.

2.20. Earnings per share

Basic earnings per share is 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.

Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving the basic earnings per share and the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.21. Operating Segments

Operating segments are identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems. The Company operates in one reportable business segments i.e. "Chemicals".

2.22. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

2.23. Current/non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current if it satisfies any of the following conditions:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current if it satisfies any of the following conditions:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- is due to be settled within twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash Equivalents. The Company has identified twelve months as its operating cycle.

2.24. Non-Current Assets held for Sale

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

The Company classifies Non-Current Assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

2.25. Critical accounting judgements, assumptions and Key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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 within the next financial year, are in respect of useful lives of Property, Plant and Equipment, impairment, employee benefit obligations, provisions, provision for income tax, measurement of deferred tax assets and contingent assets & liabilities, Stores & Spares Written off.

2.25.a. Critical judgments in applying accounting policies

The following are the critical judgements, apart from those involving estimations (Refer note 2.25.b), that the Management have made in the process of applying the Company's accounting policies and that have the significant effect on the amounts recognized in the Financial Statements.

2.25.a.1. Determining whether an arrangement contain leases and classification of leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The company makes an assessment on the expected lease term on a lease-by-lease basis

and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

2.25.b. Key sources of estimates and assumptions

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

2.25.b.1. Defined benefit obligation (DBO)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations being carried out at reporting date. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, Salary escalation rate, expected rate of return on asset and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

2.25.b.2. Contingent Liabilities and Assets

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

2.25.b.3. Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

2.25.b.4. Impairment of non-financial assets

Evaluation for impairment requires use of judgment, estimates and assumptions.

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

2.25.b.5. Income taxes:

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

2.25.b.6. Recognition of Deferred tax assets:

Deferred Tax Assets (DTA) are recognized for the unused tax losses/ credits to the extent that it is probable that taxable profit will be available against which the losses will be utilized. Management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.25.b.7. Useful lives and residual value of property, plant and equipment:

The Company reviews the useful life and residual value of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.25.b.8. Dismantling cost of property, plant and equipment:

The company estimates assets retirement obligation on estimate basis for property, plant and equipment. Estimation is done by the management considering size of the asset and its useful life in line with industry practices.

2.25.b.9. Stores and spares inventories:

The Company's manufacturing process is continuous and highly mechanic with wide range of different types of plant and machineries. The Company keeps stores and spares as standby to continue the operations without any disruption. Considering wide range of stores and spares and long lead time for procurement of it and based on criticality of spares, the Company believes that net realizable value would be more than cost.

2.25.b.10. Fair value of investments:

The Company has invested in the equity instruments of various companies. The valuation exercise of unquoted equity instruments carried out by the Company with the help of an independent valuer, etc. has estimated fair value at each reporting period based on available historical annual reports and other information in the public domain.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Carrying Amounts of :		
Land Freehold	102.75	102.75
Buildings	24,317.42	16,811.07
Plant and equipment	2,34,223.00	2,31,581.76
Plant and equipment under Finance Lease	370.54	384.01
Computer Equipments	529.15	621.31
Furniture and Fixture	626.94	558.32
Vehicles	56.99	61.74
	2,60,226.79	2,50,120.96
Right of use asset	9,493.11	8,031.94
	9,493.11	8,031.94
	2,69,719.90	2,58,152.90
Capital Work-In-Progress	1,78,735.04	1,10,941.76
	1,78,735.04	1,10,941.76
Total	4,48,454.94	3,69,094.66

[Rs. in Lakhs]

Fixed Assets	Land Freehold	Right of Use Assets (Ref. Note No.3.1)	Buildings	Plant & Equipment	Plant & Equipment Under Lease	Computer Equip- ments	Furniture & Fixture	Vehicles	Recoating/ Rememb- rancing	Total
Gross Carrying Amount										
As at April 1, 2020	102.75	8,665.02	18,022.63	2,89,046.54	463.70	1,057.64	749.07	187.92	7,059.01	3,25,354.28
Additions	-	-	2,681.30	12,270.03	-	467.89	308.18	26.04	-	15,753.44
Adjustment	-	-	-	-	-	-	-	-	-	-
Deductions	-	-	(53.46)	(596.83)	(1.29)	(211.47)	-	(6.55)	-	(869.60)
Effect of foreign Exchange difference	-	-	-	(291.15)	-	-	-	-	-	(291.15)
As at March 31, 2021	102.75	8,665.02	20,650.47	3,00,428.59	462.41	1,314.06	1,057.25	207.41	7,059.01	3,39,946.97
Additions	-	1,731.35	9,907.64	19,408.00	-	90.65	46.59	9.13	-	31,193.36
Adjustment	-	-	(1,096.10)	948.98	-	-	147.12	-	-	-
Deductions	-	-	-	(482.53)	(0.40)	(86.35)	(1.06)	-	-	(570.34)
Effect of foreign Exchange difference	-	-	-	199.23	-	-	-	-	-	199.23
As at March 31, 2022	102.75	10,396.37	29,462.01	3,20,502.27	462.01	1,318.36	1,249.90	216.54	7,059.01	3,70,769.22

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS (Contd.)

[Rs. in Lakhs]

Fixed Assets	Land Freehold	Right of Use Assets (Ref. Note No.3.1)	Buildings	Plant & Equipment	Plant & Equipment Under Lease	Computer Equipments	Furniture & Fixture	Vehicles	Recoating/ Remembraning	Total
Depreciation, Amortisation & Impairment										
As at April 1, 2020	-	375.35	2,901.17	54,545.89	65.33	740.66	406.37	137.75	5,778.56	64,951.08
Depreciation for the year	-	257.73	947.29	15,314.90	13.07	152.87	92.56	13.80	537.77	17,329.99
Adjustment	-	-	-	(156.14)	-	-	-	-	-	(156.14)
Deductions	-	-	(9.06)	(115.14)	-	(200.78)	-	(5.88)	-	(330.86)
Effect of foreign exchange difference	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	-	633.08	3,839.40	69,589.51	78.40	692.75	498.93	145.67	6,316.33	81,794.07
Depreciation for the year	-	270.18	1,372.83	17,450.51	13.07	174.81	115.83	13.88	263.04	19,674.15
Adjustment	-	-	(67.64)	58.70	-	-	8.94	-	-	0.00
Deductions	-	-	-	(339.81)	-	(78.35)	(0.74)	-	-	(418.90)
As at March 31, 2022	-	903.26	5,144.59	86,758.91	91.47	789.21	622.96	159.55	6,579.37	1,01,049.32
Net Carrying amount										
As at March 31, 2022	102.75	9,493.11	24,317.42	2,33,743.36	370.54	529.15	626.94	56.99	479.64	2,69,719.90
As at March 31, 2021	102.75	8,031.94	16,811.07	2,30,839.08	384.01	621.31	558.32	61.74	742.68	2,58,152.90

AGEING AND COMPLETION SCHEDULE OF CAPITAL WORK IN PROGRESS

Ageing Schedule

[Rs. in Lakhs]

CWIP	F. Y. 2021-22					F. Y. 2020-21				
	Amount of CWIP for a period of					Amount of CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Project in Progress	82,140.61	66,497.80	20,327.69	9,701.30	1,78,667.40	73,051.86	22,628.71	10,702.41	4,518.77	1,10,901.75
(ii) Projects temporarily suspended	-	37.52	23.79	6.33	67.64	9.89	23.79	6.33	-	40.01
Total	82,140.61	66,535.32	20,351.48	9,707.63	1,78,735.04	73,061.75	22,652.50	10,708.74	4,518.77	1,10,941.76

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Completion Schedule

(whose completion is overdue or has exceeded its cost compared to its original plan)

[Rs. in Lakhs]

CWIP	F. Y. 2021-22				F. Y. 2020-21			
	To be Completed in				To be Completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in Progress								
(i) CSL-18, Vadodara	1,440.61	-	-	-	3,273.69	-	-	-
(ii) Caustic Soda Expansion	39,171.90	-	-	-	9,598.78	-	-	-
(iii) 65 MW Coal Power-D-II/9	-	-	-	-	65.01	-	-	-
(iv) 33870 TPA Phosphoric Acid Plant, Dahej	27,703.60	-	-	-	8,034.78	-	-	-
(v) 10000 TPA Hydrazine Hydrate Plant At Dahej	30,390.84	-	-	-	18,563.98	-	-	-
(vi) 105,000 TPA Chloromethanes Project, Dahej	74,408.75	-	-	-	60,104.46	-	-	-
(vii) Others	5,551.70	-	-	-	11,261.05	-	-	-
Sub Total	1,78,667.40	-	-	-	1,10,901.75	-	-	-
Projects temporarily suspended								
(i) Chloro Toluene Plant	40.01	-	-	-	40.01	-	-	-
(ii) 65 MW Coal Power-D-II/9	27.63	-	-	-	-	-	-	-
Sub Total	67.64	-	-	-	40.01	-	-	-
Total	1,78,735.04	-	-	-	1,10,941.76	-	-	-

Note :- These projects were earlier schedule to be completed in the financial year 2021-22, however due to adverse impact of COVID-19 pandemic, the completion is delayed and is expected during the financial year 2022-23, with no cost overrun.

Projects Temporarily Suspended :

- 1 Chloro Toluene This has been put under hold as tolling agents to run their plant, which would meet our requirement and the same is being reported to the board under the agenda items providing status of various projects.
- 2 65 MW Coal Based Power Plant This has been put under hold because of EPC Contract Finalization is pending in view of higher cost of Coal Based Power Plant.

3.1 Right of Use Assets amortised during Financial Year 2021-22 of Rs. 270.18 lakhs (Ref. Note 2.6).

3.2 Borrowing Cost capitalised during the year Rs. 715.14 Lakhs (Previous Year: Rs. 23.57 Lakhs) for acquisition of Long Term Assets.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

4 OTHER INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Carrying Amounts of:		
Computer Software	444.85	532.88
	444.85	532.88

Other Intangible Assets	Computer Software
Cost	
As at April 1, 2020	805.41
Additions	58.88
As at March 31, 2021	864.29
Additions	16.21
As at March 31, 2022	880.50
Accumulated amortisation and impairment	
As at April 1, 2020	225.34
Amortisation expense	106.07
As at March 31, 2021	331.41
Amortisation expense	104.24
As at March 31, 2022	435.65
Net Block	
As at March 31, 2022	444.85
As at March 31, 2021	532.88

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

5 INVESTMENT IN JOINT VENTURE

[Rs. in Lakhs]

Particulars	Nos.	Face Value Rs.	As at 31.03.2022	Nos.	As at 31.03.2021
Unquoted Investments (all fully paid) :					
Investment in fully paid Equity Shares of GACL-NALCO Alkalies & Chemicals Pvt. Ltd.	41,40,00,000	10	41,400.00	41,40,00,000	41,400.00
GRAND TOTAL			41,400.00		41,400.00

Details and financial information of joint venture

Name of Joint Venture	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the Company	
			As at 31.03.2022	As at 31.03.2021
GACL-NALCO Alkalies & Chemicals Pvt. Ltd.	Manufacture and Sale of Chlor-Alkali Products	India	60%	60%

For Method of Accounting Refer Note- 2.16.a.5



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

6 OTHER INVESTMENTS

[Rs. in Lakhs]

Particulars	Face Value Rs.	As at 31.03.2022		As at 31.03.2021	
		Quantity	Amount	Quantity	Amount
Non - Current :					
1 Investment in Equity Instruments (Quoted) - FVTOCI :					
a Gujarat Industries Power Company Limited	10	2,30,88,980	16,958.86	2,30,88,980	17,489.90
b Gujarat State Fertilizers and Chemicals Limited	2	75,00,000	12,153.75	75,00,000	6,097.50
c Gujarat Lease Financing Limited	10	2,50,000	7.62	2,50,000	6.25
d Gujarat Gas Limited	2	2,13,15,785	1,07,271.69	2,13,15,785	1,17,119.58
Total - 1 (Quoted)			1,36,391.92		1,40,713.23
2 Investment in Equity Instruments (Unquoted) - FVTOCI :					
a Gujarat Data Electronics Limited	10	40,000	4.00	40,000	4.00
Less :- Provision for Diminution in the value of Investment			(4.00)		(4.00)
			-		-
b Gujarat Venture Finance Limited	10	1,80,000	496.80	1,80,000	345.80
c Gujarat Guardian Limited	10	74,25,000	7,870.50	74,25,000	6,482.03
d Gujarat State Petroleum Corporation Limited	1	2,15,43,200	2,408.53	2,15,43,200	2,126.31
e Gujarat Chemical Port Limited (Formerly Gujarat Chemical Port Terminal Limited)	1	6,13,90,000	20,258.70	6,13,90,000	12,885.76
f Vadodara Enviro Channel Limited	10	7,151	344.68	7,151	408.22
g Gujarat State Electricity Corporation Limited	10	1	0.00	1	0.00
h Vadodara Jal Sanchay Private Limited	10	3,00,000	30.00	3,00,000	30.00
Total - 2 (Unquoted)			31,409.21		22,278.12
GRAND TOTAL			1,67,801.13		1,62,991.35
Current :					
(A) Investment in Equity Instruments (Quoted) - FVTPL :					
1 IDBI Bank Ltd.	10	3,18,800	136.45	3,18,800	122.90
Total - A			136.45		122.90
(B) Investment in Government Securities (Unquoted) :					
Investment In Govt. Securities (FVTPL) Six Year National Saving Certificate (Pledged for renewal licence)- amortised cost			1,059.80		1,556.67
			0.20		0.20
Total - B			1,060.00		1,556.87
(C) Investment in Pvt. Bond Securities (Unquoted) - FVTPL					
			1,064.53		3,450.80
(D) Investment in Mutual Fund Securities (Unquoted) - FVTPL					
			12.32		12.32
GRAND TOTAL			2,273.30		5,142.89
Aggregate Carrying Value of current quoted investments			136.45		122.90
Aggregate Carrying Value of non-current quoted investments			1,36,391.92		1,40,713.23
Total Aggregate Carrying Value of quoted investments			1,36,528.37		1,40,836.13
Aggregate Market Value of current quoted investments			136.45		122.90
Aggregate Market Value of non-current quoted investments			1,36,391.92		1,40,713.23
Total Aggregate Market Value of quoted investments			1,36,528.37		1,40,836.13
Aggregate Carrying Value of current unquoted investments			2,136.65		5,019.79
Aggregate Carrying Value of non-current unquoted investments			31,409.21		22,278.12
Total Aggregate Carrying Value of unquoted investments			33,545.86		27,297.91
Aggregate amount of impairment in value of Investments			4.00		4.00
Category-wise other Investments - as per Ind AS 109 classification :-					
Financial assets carried at fair value through profit or loss (FVTPL)			2,273.10		5,142.69
Financial assets carried at amortised cost (Govt. Securities)			0.20		0.20
Financial assets measured at fair value through other comprehensive income (FVTOCI) (Equity Instruments)			1,67,801.13		1,62,991.35

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

7 LOANS

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
LOANS RECEIVABLE :		
Non-Current :		
Unsecured - Considered Good :		
Loans to Employees	58.18	88.54
Loans to Officers	12.69	5.58
Total :	70.87	94.12
Current :		
Unsecured - Considered Good :		
Inter Corporate Deposit with Gujarat State Financial Services Ltd. (Related party - Refer Note-38)	5,000.00	7,500.00
Loans to Employees	117.51	147.16
Loans to Officers	4.30	3.48
Total :	5,121.81	7,650.64

Loans or advances to specified person :

- (a) repayable on demand; or
(b) without specifying any terms or period of repayment

[Rs. in Lakhs]

Type of Borrower	As at 31.03.2022		As at 31.03.2021	
	Amount of Loan or Advance in Nature of loan Outstanding (Rs.)	Percentage to the total Loans and Advances in the Nature of Loans	Amount of Loan or Advance in Nature of loan Outstanding (Rs.)	Percentage to the total Loans and Advances in the Nature of Loans
Related Parties	5,000.00	96.29	7,500.00	96.84

8 OTHER FINANCIAL ASSETS

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Non - Current :		
Unsecured - Considered Good :		
Security Deposits	2,468.93	2,361.86
Total :	2,468.93	2,361.86
Current :		
Unsecured - Considered Good :		
Security Deposits	347.24	346.24
Amount receivable for Wind Farm Credit	824.29	1,285.15
Interest receivable	388.30	677.24
Total :	1,559.83	2,308.63

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS****9 NON-CURRENT TAX ASSETS (NET)**

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Tax Assets (Net)	17,164.13	10,824.20
Total:	17,164.13	10,824.20

CURRENT TAX LIABILITIES (NET)

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Tax Liabilities (Net)	2,068.44	2,068.44
Total:	2,068.44	2,068.44

10 OTHER ASSETS

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Non - Current :		
Unsecured - Considered Good :		
Capital Advances (Refer Note No. 10.1)	9,746.84	17,971.76
Balance with Excise & Customs (Refer Note No. 10.2)	1,257.55	1,257.55
Prepaid Long Term Employee Benefits (Gratuity) (Ref. Note No. 36)	-	305.04
Prepaid Expenses	16.65	20.80
Other Loans and Advances	27.77	27.77
Total :	11,048.81	19,582.92
Current :		
Unsecured - Considered Good :		
Prepaid Current Employee Benefits (Gratuity) (Ref. Note No. 36)	-	66.11
Advance to suppliers	4,171.37	3,890.50
Export Incentive Receivable	84.81	182.39
Balance with Excise & Customs	-	19.00
Prepaid Expenses	69.54	92.70
Indirect Taxes Receivable	561.49	2,187.81
Other Loans and Advances	21.51	150.15
Total :	4,908.72	6,588.66

10.1 Capital Advances includes advance payment made for leasehold lands allotted pending execution of lease deeds :

- (i) Rs. Nil (FY 2020-21 Rs. 1,732.59 lakhs) towards plot No. D-III/3 in exchange of Plot No. 42/1 at Dahej admeasuring 5,16,548 sq. mtrs.
- (ii) Rs. 923.08 lakhs (FY 2020-21 Rs. 923.08 lakhs) towards plot No. B-37 to B-44 at village Atali admeasuring 50,714.48 sq. mtrs.

10.2 In the Financial Year 2012-13, the Company received a demand of Rs. 1,719.66 lakhs from the revenue authorities for excise duty, interest and penalty thereon. The same has been shown as provision for other liabilities under Non-Current Provisions (Note no. 19). The Company has contested the demand and has paid under protest Rs.924.23 lakhs and Rs.333.32 lakhs (Total Rs.1,257.55 lakhs) during 2012-13 and 2013-14 respectively. As the matter is pending with Honourable High Court, the amount paid has been shown under Balance with Excise and customs' under Other Non-Current Assets.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

11 INVENTORIES

[At lower of Cost and Net Realisable Value]

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Raw Materials and Components	7,848.14	7,000.09
Goods-in-Transit	8,992.84	1,005.58
	16,840.98	8,005.67
(b) Work-in-Progress	2,526.51	1,510.21
(c) Finished Goods	3,063.59	3,869.23
Goods-in-Transit	180.21	84.53
	3,243.80	3,953.76
(d) Stores and Spares	12,221.98	8,693.01
Goods-in-Transit	8.54	16.51
	12,230.52	8,709.52
(e) Others :		
Packing Materials	409.63	350.29
Building Materials	19.55	23.29
Others	42.70	19.51
	471.88	393.09
Total :	35,313.69	22,572.25

12 TRADE RECEIVABLES

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Current :		
(a) Secured, considered good (Refer Note No. 37.7)	5,275.36	4,792.44
(b) Unsecured, Considered good	27,083.87	26,154.68
(c) Which have significant increase in Credit Risk	-	-
(d) Credit Impaired (Refer Note No. 12.1)	1,322.42	1,335.42
	33,681.65	32,282.54
Less : Allowance for expected credit losses	3,417.46	3,385.53
Total :	30,264.19	28,897.01

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

12 TRADE RECEIVABLES (Contd.)

12.1 Trade Receivables include overdue outstanding from various parties aggregating to Rs.1,322.42 lakhs, (Previous Year Rs.1,335.42 lakhs), for which the Company has taken legal steps for recovery of the outstanding dues and the management is hopeful of the recovery. However, cumulative provision of Rs. 1,322.42 lakhs (Previous Year Rs.1,335.42 lakhs) exists for such doubtful debts as on 31.03.2022.

The average credit period on sale of goods is 31 days. However, no interest is charged on Trade Receivables for delay in payment beyond 31 days from the date of the Invoice.

The credit limits for customers are set based on security deposits and bank guarantees. Limits attributed to customers are reviewed periodically.

The Company has used a practical expedient by computing the expected credit loss allowance for Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates are given in the provision matrix. The provision matrix at the end of the Reporting Period is as follows. :

Ageing :	Expected Credit Loss	
Particulars	As at 31.03.2022	
Within the Credit Period	0.98%	
1-60 days past due	16.23%	
61-180 days past due	40.02%	
181-2 years past due	48.68%	
2-5 years past due	100.00%	
Above 5 years past due	100.00%	

Age of Receivables :	[Rs. in Lakhs]	
Particulars	As at 31.03.2022	As at 31.03.2021
Within the Credit Period	27,918.89	25,868.02
1-60 days past due	2,142.00	2,834.03
61-180 days past due	335.99	333.60
181-2 years past due	1,214.15	1,513.68
2-5 years past due	644.47	375.21
Above 5 years past due	1,426.15	1,358.00
Total :	33,681.65	32,282.54

Movement in Expected Credit Loss Allowance :	[Rs. in Lakhs]	
Particulars	As at 31.03.2022	As at 31.03.2021
Balance at beginning of the year	3,385.53	3,043.42
Movement in Expected Credit Loss Allowance on trade receivables calculated at lifetime expected credit losses	31.93	342.11
Balance at end of the year	3,417.46	3,385.53

The Concentration of Credit Risk is limited due to the fact that the customer base is large and unrelated.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

12 TRADE RECEIVABLES (Contd.)

At March 31, 2022 and March 31, 2021, the major customers (top five) accounted for the following amounts of the Company's Trade Receivables :

Sr. No.	Dealer Name	Balance as at 31.03.2022		Balance as at 31.03.2021	
		Amount (Rs.)	% to Total Debtors	Amount (Rs.)	% to Total Debtors
1	Dealer-A	7,320.00	21.73	4,187.21	12.97
2	Dealer-B	877.00	2.60	4,647.13	14.40
3	Dealer-C	215.00	0.64	1,541.81	4.78
4	Dealer-D	138.00	0.41	64.29	0.20
5	Dealer-E	337.00	1.00	2,536.95	7.86
	Total (1 TO 5)	8,887.00	26.38	12,977.39	40.21
	Total Trade Receivable-GACL	33,681.65	100.00	32,282.54	100.00

[Rs. in Lakhs]

AGEING SCHEDULE OF TRADE RECEIVABLES FOR THE F. Y. 2021-22

Particulars	Outstanding for following periods from due date of payment						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	27,918.89	2,477.99	373.49	840.66	370.81	377.39	32,359.23
(ii) Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	1,322.42	1,322.42
Less : Expected Credit Loss allowance							3,417.46
As at 31st March, 2022							30,264.19

AGEING SCHEDULE OF TRADE RECEIVABLES FOR THE F. Y. 2020-21

Particulars	Outstanding for following periods from due date of payment						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	25,868.02	3,167.63	836.57	677.11	220.16	177.63	30,947.12
(ii) Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	1,335.42	1,335.42
Less : Expected Credit Loss allowance							3,385.53
As at 31st March, 2021							28,897.01

13 CASH AND CASH EQUIVALENTS

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Cash and Cash Equivalents :		
Balances with Banks :		
Current Account	4,767.67	2,517.60
Cash on hand	3.47	3.20
Others :		
Stamps on hand	0.14	0.14
Deposit with Gujarat State Financial Services Ltd.	25,000.00	33,000.00
Total :	29,771.28	35,520.94



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

14 OTHER BALANCES WITH BANKS

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Other Bank Balances consist of the following:		
Fixed Deposits with Banks	0.10	-
Unpaid Dividend (Refer Note No. 14.1)	191.02	176.97
Total :	191.12	176.97

14.1 During the year, the Company has transferred Rs. 16.33 lakhs (Previous Year Rs.13.93 lakhs for FY 2012-13) to Investor Education & Protection Fund for FY 2013-14.

15 SHARE CAPITAL

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Equity Share Capital		
(a) Authorised share capital :		
10,00,00,000 Equity Shares of Rs. 10/- each	10,000.00	10,000.00
50,00,000 Redeemable Cumulative Preference Shares of Rs.100/- each	5,000.00	5,000.00
	15,000.00	15,000.00
(b) Issued :		
7,34,39,875 Equity Shares of Rs.10/- each (As at March 31, 2021 :7,34,39,875)	7,343.99	7,343.99
(c) Less : Subscribed & Not Fully Paid-up (forefeited) :		
2,947 Equity Shares of Rs.10/- each (As at March 31, 2021 : 2,947)	0.15	0.15
(d) Subscribed & Fully Paid-up :		
7,34,36,928 Equity Shares of Rs.10/- each (As at March 31, 2021 : 7,34,36,928) (b - c)	7,343.84	7,343.84
Total	7,343.84	7,343.84

(i) Reconciliation of the number of equity shares :

Particulars	As at 31.03.2022		As at 31.03.2021	
	Number	(Rs. in Lakhs)	Number	(Rs. in Lakhs)
Shares outstanding at the beginning of the period	7,34,36,928	7,343.84	7,34,36,928	7,343.84
Shares outstanding at the end of the period	7,34,36,928	7,343.84	7,34,36,928	7,343.84

(ii) Rights, preferences and restrictions attached to equity shares :

The Company has one class of equity shares having a par value of Rs.10/- each. Each Shareholder is eligible for one vote per one share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

15 SHARE CAPITAL (Contd.)

(iii) Details of shares held by each shareholder holding more than 5% equity shares :

Sr. No.	Name of Shareholder	As at 31.03.2022		As at 31.03.2021	
		No. of shares held	% of shares held	No. of shares held	% of shares held
1	Lok Prakashan Ltd.	1,62,15,732	22.08	1,62,15,732	22.08
2	Gujarat State Investment Ltd.	1,53,29,373	20.87	1,53,29,373	20.87
3	Gujarat Industrial Investment Corporation Limited	71,19,028	9.69	71,19,028	9.69
4	Gujarat Mineral Development Corporation Ltd.	41,45,433	5.64	41,45,433	5.64

(iv) Details of Shares held by Promoters :

Sr. No.	Promoters Name	As at 31.03.2022		As at 31.03.2021		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Gujarat Industrial Investment Corporation Limited	71,19,028	9.69	71,19,028	9.69	-
2	Gujarat Mineral Development Corporation Ltd	41,45,433	5.64	41,45,433	5.64	-
3	Gujarat Narmada Valley Fertilizers And Chemicals Limited	17,59,996	2.40	17,59,996	2.40	-
4	Gujarat State Investments Limited	1,53,29,373	20.87	1,53,29,373	20.87	-
5	Gujarat Maritime Board	27,34,719	3.72	27,34,719	3.72	-
6	Gujarat Industrial Development Corporation	28,97,740	3.95	28,97,740	3.95	-
7	Governor Of Gujarat	21	-	21	-	-

(v) Dividend :

For current financial year 2021-22, The Company has proposed dividend of Rs. 10.00 per equity share (Previous year Rs. 8.00 per share declared). Proposed dividends on equity share are subject to approval at the Annual General Meeting and are not recognised as a liability as at Balance Sheet date.

16 OTHER EQUITY

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
a. General Reserve	2,30,217.62	2,30,217.62
b. Securities Premium	23,423.18	23,423.18
c. Capital Reserve	0.24	0.24
d. Reserve for equity instruments through other comprehensive income	1,32,079.97	1,28,312.90
e. Retained Earnings	1,97,380.42	1,48,461.08
Total :	5,83,101.43	5,30,415.02

a. General Reserve

The General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purpose. As General Reserve is created by a transfer from one component of Equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to profit or loss.

b. Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

c. Reserve for equity instruments through other comprehensive income

The reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

17 BORROWINGS

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Non-Current :		
Secured - at amortised cost :		
Term Loans from Banks :		
External Commercial Borrowing from ICICI Bank (Refer Note No.17.1)	2,979.76	4,799.94
External Commercial Borrowing from HSBC Bank (Refer Note No.17.2)	-	2,156.57
External Commercial Borrowing from State Bank of India (Refer Note No.17.3)	51,916.46	36,374.17
Total :	54,896.22	43,330.68

The terms of repayment of borrowings are stated below:

- 17.1 The Loan is secured by plant and machinery of 14.7 MW Wind Farm Project at Dist. Porbandar, Gujarat, 915 nos. Cell Elements at Ranoli Dist. Vadodara, Gujarat and 440 nos. Cell Elements at Dahej, Dist. Bharuch, Gujarat. It has to be repaid in 15 equal half yearly installments from 10.09.2017 and carries interest rate of LIBOR plus 1.64% p.a.
- 17.2 The Loan is secured by plant and machinery of 31 MW Wind Farm Project at Dist. Rajkot & Kachchh, Gujarat and Potassium Hydroxide Plant at Ranoli, Dist. Vadodara, Gujarat. It has to be repaid in 10 equal half yearly installments from 07.01.2018 and carries interest rate of LIBOR plus 1.80% p.a.
- 17.3 The loan is secured by plant and machinery of Chloromethanes Plant at Plot No. D-II/9 P. O. Dahej, Tal. Vagra, Dist. Bharuch, Gujarat. It has to repaid in 10 equal half yearly installments from 17.09.2023 and carries interest rate of LIBOR plus 1.28% p.a.

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Current :		
Secured		
Loans repayable on demand from Banks (Refer Note No. 17.4)	150.26	25.21
Current maturities of long term secured debts (Refer Note No. 17.5)	4,287.19	6,336.20
Total :	4,437.45	6,361.41

Borrowings obtained on the basis of security of current assets

[Rs. in Lakhs]

Quarter	Name of Bank	Particular of Securities Provided	Amount as per Book of account	Amount Reported in the Quarterly Return / Statement	Amount of difference	Reason for material discrepancies
F. Y. 2021-22						
Jun-21	SBI, AXIS, IDBI, HDFC BANK, INDIAN BANK, CENTRAL BANK, UCO BANK	Inventory (i.e. Raw-Material (excluding in transits and consumables), Raw-material (semi finished) , Finished goods, Stores & Spares, Packing Material)	21,616.90	21,616.90	Nil	-
Sep-21			23,775.30	23,775.30	Nil	-
Dec-21			23,478.02	23,478.02	Nil	-
Mar-22			24,830.38	24,830.38	Nil	-
F. Y. 2020-21						
Jun-20	SBI, AXIS, IDBI, HDFC BANK, INDIAN BANK, CENTRAL BANK, UCO BANK	Inventory (i.e. Raw-Material (excluding in transits and consumables), Raw-material (semi finished) , Finished goods, Stores & Spares, Packing Material)	19,483.74	19,483.74	Nil	-
Sep-20			18,393.09	18,393.09	Nil	-
Dec-20			18,625.92	18,625.92	Nil	-
Mar-21			20,828.68	20,828.68	Nil	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

17 BORROWINGS (Contd.)

- 17.4 The Company has working capital facilities with various Banks carrying interest rate ranging from 7.10% p.a. to 7.30% p.a. These facilities are secured by first charge by hypothecation of stocks and book debts and second charge over the immovable assets of the Company.
- 17.5 Represents repayment falling due in next twelve months :
- Rs. 2,266.06 lakhs to HSBC Bank towards ECB loan secured against 0.75 times of the facility amount at all times over all the movable assets relating to 31 MW Windmills phase - VIII & IX located at Rajkot and Kutch districts, Gujarat and 0.50 times of facility amount at all times over all the movable assets relating to existing Potassium Hydroxide Plant at Ranoli, Dist. Vadodara, Gujarat including future expansion carrying interest rate of LIBOR plus 1.80% p.a.
 - Rs. 2,021.13 lakhs to ICICI Bank towards ECB loan secured against plant and machinery of 14.70 MW Windmills phase-X located at Porbandar district, Gujarat, 915 nos. Cell Elements at Ranoli, Dist. Vadodara, Gujarat and 440 nos. Cell Elements at Dahej, Dist. Bharuch, Gujarat carrying interest rate of LIBOR plus 1.64% p.a.

18 LEASE LIABILITIES

Particulars	[Rs. in Lakhs]	
	As at 31.03.2022	As at 31.03.2021
Non - current :		
Lease Liabilities	67.24	68.12
Total :	67.24	68.12
Current :		
Lease Liabilities	6.11	6.19
Total :	6.11	6.19

19 PROVISIONS

Particulars	[Rs. in Lakhs]	
	As at 31.03.2022	As at 31.03.2021
Non - current :		
(A) Provision for Employees' Benefits		
(i) Gratuity (Ref. Note No. 36)	1,754.20	-
(ii) Compensated Absences (Ref. Note No. 36)	9,267.36	7,518.54
(iii) Long Service Award	92.33	83.71
(B) Provision for Other Liabilities (Ref. Note No. 19.1)	1,719.66	1,719.66
(C) Asset Retirement Obligations (Refer Note No. 19.2)	2,067.97	1,930.66
Total :	14,901.52	11,252.57
Current :		
(A) Provision for Employees' Benefits		
(i) Gratuity (Ref. Note No. 36)	300.22	-
(ii) Compensated Absences (Ref. Note No. 36)	1,384.59	1,211.24
(iii) Long Service Award	78.30	72.64
Total :	1,763.11	1,283.88

19.1 In the earlier Financial Year 2012-13, the Company received a demand of Rs. 1,719.66 lakhs from the revenue authorities for excise duty, interest and penalty thereon - Refer Note 10.2.

19.2 Movement of asset retirement obligation :

Particulars	[Rs. in Lakhs]	
	2021-22	2020-21
Balance at the beginning of the year	1,930.66	1,796.54
Add : Unwinding of discount	137.31	134.12
Balance at the end of the year	2,067.97	1,930.66

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

20 DEFERRED TAX LIABILITIES (NET)

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Tax assets	(6,738.18)	(6,782.01)
Deferred Tax liabilities	71,176.58	68,968.36
Deferred Tax Liabilities (Net)	64,438.40	62,186.35

2021-2022:

[Rs. in Lakhs]

Deferred tax liabilities / (assets) in relation to:	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Reclassified from equity to profit or loss	MAT Credit Set off / (Entitlement)	Adjustment	Closing Balance
Property, Plant and Equipment	55,910.81	1,165.51	-	-	-	-	-	57,076.32
Employee Benefits	(979.58)	-	(754.02)	-	-	-	-	(1,733.60)
Investments	13,057.55	-	1,042.71	-	-	-	-	14,100.26
Disallowances / Allowances	(3,382.63)	(1,621.95)	-	-	-	-	-	(5,004.58)
MAT Credit (Entitlement) / Utilisation	(2,419.80)	-	-	-	-	2,212.03	207.77	-
Total :	62,186.35	(456.44)	288.69	-	-	2,212.03	207.77	64,438.40

2020-2021:

[Rs. in Lakhs]

Deferred tax liabilities / (assets) in relation to:	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Reclassified from equity to profit or loss	MAT Credit Set off / (Entitlement)	Adjustment	Closing Balance
Property, Plant and Equipment	53,660.38	2,250.43	-	-	-	-	-	55,910.81
Employee Benefits	(891.56)	-	(88.02)	-	-	-	-	(979.58)
Investments	5,810.69	-	7,246.86	-	-	-	-	13,057.55
Disallowances / Allowances	(2,814.46)	(568.17)	-	-	-	-	-	(3,382.63)
MAT Credit (Entitlement) / Utilisation	(3,242.99)	-	-	-	-	982.35	(159.16)	(2,419.80)
Total :	52,522.06	1,682.26	7,158.84	-	-	982.35	(159.16)	62,186.35

21 TRADE PAYABLES

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Current :		
Trade Payable to related parties (Refer Note No. 38) :	145.31	663.98
Trade Payables		
a. Total outstanding dues of micro enterprises and small enterprises	2,632.39	3,826.04
b. Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note below for details of dues to Micro, Small and Medium Enterprises)	32,500.37	23,842.03
Total :	35,278.07	28,332.05

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

21 TRADE PAYABLES (Contd.)

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act”)		
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2,632.39	3,826.04
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the Auditors.		

The Company has made payments to Micro and Small suppliers within the stipulated payment period as prescribed under Micro and Small enterprises Development Act, 2006 (MSMED Act, 2006). Accordingly, no interest is payable to such suppliers. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

AGEING SCHEDULE OF TRADE PAYABLE FOR THE F. Y. 2021-22

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	2,557.93	74.46	-	-	-	2,632.39
(ii) Others	23,678.94	6,983.31	529.64	1,300.88	152.91	32,645.68
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	26,236.87	7,057.77	529.64	1,300.88	152.91	35,278.07

AGEING SCHEDULE OF TRADE PAYABLE FOR THE F. Y. 2020-21

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3,593.84	232.20	-	-	-	3,826.04
(ii) Others	21,648.89	2,064.89	253.62	87.95	450.66	24,506.01
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	25,242.73	2,297.09	253.62	87.95	450.66	28,332.05

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS****22 OTHER FINANCIAL LIABILITIES**

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Current :		
Interest accrued but not due on borrowings	74.33	61.86
Unpaid dividends	191.02	176.97
Payables for capital goods	13,740.99	15,462.30
Security Deposits / Earnest Money Deposits	8,863.93	5,091.76
Payable to GACL-NALCO Alkalies and Chemicals Pvt. Ltd. (Related party - Refer Note No. 38)	2.69	2.69
Payable to GACL Education Society (Related Party - Refer Note No. 38)	4.06	4.06
Total :	22,877.02	20,799.64

23 OTHER CURRENT LIABILITIES

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Other payables :		
Other Statutory Liabilities	4,137.15	910.65
Advance received from customers	2,338.64	1,381.14
Unspent CSR Expenses (Refer Note No. 45)	602.96	-
Total :	7,078.75	2,291.79

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

24 REVENUE FROM OPERATIONS

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022		Year Ended 31.03.2021	
(i) SALE OF PRODUCTS :				
[a] MANUFACTURING OPERATIONS :-				
Caustic Soda Lye	1,16,832.62		51,346.87	
Caustic Soda Flakes	40,926.79		26,556.41	
Caustic Soda Prills	8,094.31		6,970.10	
Chloromethanes	33,880.97		22,684.28	
Caustic Potash Lye	7,215.99		4,500.45	
Caustic Potash Flakes	17,565.40		12,287.93	
Potassium Carbonate	9,809.26		7,679.43	
Hydrogen Peroxide	27,604.87		21,347.08	
Phosphoric Acid (85%)	24,529.33		14,973.68	
Poly Aluminium Chloride	7,017.36		6,070.45	
Aluminium Chloride	32,129.09		21,427.57	
Chlorinated Paraffin Wax	907.54		1,513.14	
Benzyl Chloride	5,992.23		4,110.17	
Benzyl Alcohol	8,238.89		5,395.50	
Benzaldehyde	3,893.92		2,650.70	
Sodium Chlorate	10,864.47		8,001.28	
Stable Bleaching Powder	2,107.49		3,456.09	
Liquid Chlorine	897.01		3,658.48	
Hydrogen Gas	4,125.17		3,242.89	
Others	3,859.62		3,286.13	
		3,66,492.33		2,31,158.63
[b] TRADING ACTIVITY		473.82		1,896.98
[c] SALE OF POWER		1,374.08		1,393.67
Total (i)		3,68,340.23		2,34,449.28
(ii) OTHER OPERATING REVENUE :				
Sale of Scrap	1,035.84		1,048.35	
Insurance claims received	191.70		258.57	
Export Incentives	148.20		257.75	
Credit balances written back (Net)	222.78		2,554.20	
Freight Outward Recovered (Gross)	4,895.36		3,617.88	
Other Receipts	1,039.48		762.03	
Total (ii)		7,533.36		8,498.78
Total (i + ii)		3,75,873.59		2,42,948.06

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

25 OTHER INCOME

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Interest Income		
a) Deposit with Banks	0.29	-
b) Short Term Deposit / Inter Corporate Deposit	1,049.11	2,832.04
c) Others		
- From Non-Current Assets	86.24	1,337.96
- From Current Assets	558.69	302.36
Dividend Income		
From Non-Current Investments	1,918.93	1,574.60
All Dividends from Equity investments designated as at FVTOCI recognised for both the years relate to investments held at the end of each reporting period.		
Other Non-operating Income		
a) Net Exchange rate variation	-	388.69
b) Rent received from assets given on operating lease	36.58	35.43
c) Net gain arising from Financial Assets designated FVTPL	962.56	208.64
d) Miscellaneous Income	26.58	65.98
Total:	4,638.98	6,745.70

26 COST OF MATERIALS CONSUMED

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Natural Gas (includes used in captive power plant)	33,384.65	27,921.74
Potassium Chloride	14,449.46	12,418.02
Salt	16,558.87	10,062.18
Rock Phosphate	7,771.60	5,227.59
Aluminium Ingots	25,479.86	14,822.71
Alumina Trihydrate Powder	4,701.08	4,882.25
Heavy Normal Paraffin	737.88	1,220.42
Toluene	9,732.35	5,712.64
Methanol - Commercial Grade	5,731.28	4,072.51
Others	9,307.14	6,279.97
Total :	1,27,854.17	92,620.03

27 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022		Year Ended 31.03.2021
Closing Stock :			
Finished Goods	3,243.80	5,770.31	3,953.76
Process Stock	2,526.51		1,510.21
			5463.97
Less :- Opening Stock :			
Finished Goods	3,953.76	5,463.97	3,122.74
Process Stock	1,510.21		1,505.07
			4,627.81
(Increase) / Decrease :		(306.34)	(836.16)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

28 EMPLOYEE BENEFITS EXPENSE

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
a) Salaries and Wages	22,412.16	16,524.96
b) Contributions to :		
(i) Provident Fund	1,087.90	3,342.89
(ii) Superannuation Scheme	692.52	706.12
(iii) Gratuity Fund	426.67	346.15
(iv) Employee State Insurance Corporation	7.46	11.67
c) Staff Welfare Expenses	2,566.70	2,387.87
Total :	27,193.41	23,319.66

29 FINANCE COSTS

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
(a) Interest Expense :		
On Term Loans	218.97	430.58
On Dismantling Cost (Refer Note No. 19.2)	137.31	134.12
On Leasehold Land	5.73	5.80
Others	6.77	736.57
(b) Other Borrowing Costs :		
Bank Charges	245.85	239.09
Total :	614.63	1,546.16

30 DEPRECIATION AND AMORTISATION EXPENSE

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Depreciation on Property, Plant and Equipment (Note No. 3)	19,403.97	17,072.26
Amortisation on Right of Use Assets (Note No. 3)	270.18	257.73
Amortisation on Intangible Assets (Note No. 4)	104.24	106.07
Total :	19,778.39	17,436.06

31 POWER, FUEL & OTHER UTILITIES

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Power	61,013.47	41,139.02
Fuel, Natural Gas and Water Charges	12,891.47	8,468.52
Total :	73,904.94	49,607.54

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS****32 OTHER EXPENSES**

[Rs. in Lakhs]

Particulars	Year Ended	
	31.03.2022	31.03.2021
Stores and Spare-parts consumed	6,681.47	6,392.72
Repairs, Maintenance and Replacement		
Building	-	10.58
Plant and Machinery	4,109.48	3,538.98
Others	6,506.40	5,698.39
	10,615.88	9,247.95
Job Work / Processing Charges	8,945.55	7,332.54
Safety & Environment Expenses	234.27	275.15
Insurance	1,496.32	1,602.11
Packing Materials Consumption	6,273.94	4,827.85
Rent	246.31	291.01
Rates and Taxes	18.75	18.92
Printing and Stationery	50.98	47.91
Postage and Telephone	70.41	66.97
Vehicle Running and Maintenance including Hire Charges	664.06	695.11
Directors' Fees	22.40	12.55
Auditors' Remuneration and Expenses (Refer Note-38)	15.50	13.50
Membership and Subscription Fees	26.91	70.50
Brokerage and Commission	2.53	-
Travelling and Conveyance	57.53	21.41
Legal and Professional Charges	239.25	277.14
Research and Development Expenses	126.31	125.40
Loss on Sale of Fixed Assets (Net)	40.94	31.96
Donations & Other CSR Cost (Refer Note-45)	1,199.49	1,501.79
Bad Debts Written Off	-	74.59
Provision for expected credit loss allowances	31.93	342.11
Loss on Exchange Rate (Net)	51.32	-
Stores & Spare -parts Written Off	805.36	66.96
General Expenses	1,497.34	1,054.20
Commission on Sales	133.56	132.97
Other Marketing Expenses	3,704.00	2,689.18
Freight Outward Paid (Gross)	4,844.97	3,550.42
Total :	48,097.28	40,762.92

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

33 TAX EXPENSES

During the Current Year, the Tax Liability under normal Provisions of the Income Tax Act, 1961 comes to Rs.26,946.97 Lakhs (Previous Year Rs.5,661.72 Lakhs) and Tax Liability under MAT Provisions of Income Tax Act, 1961 is Rs.14,481.03 Lakhs (Previous Year Rs.4,679.38 Lakhs). Hence, the Company is required to pay the tax under Regular Tax Provisions of Income Tax Act, 1961 after considering MAT Credit Set Off of Rs.2,212.03 Lakhs.

Income Taxes relating to continuing operations

Income Tax Recognised in Profit or Loss

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Current Tax		
In respect of current year [MAT Credit Set Off Rs.2,212.03 Lakhs (Previous year MAT credit Set Off Rs.982.35 lakhs)]	26,946.97	5,661.72
In Respect of Prior Year	174.35	(448.64)
Total :	27,121.32	5,213.08
Deferred Tax		
In respect of current year	(456.44)	1,682.26
In respect of earlier year	-	-
Total :	(456.44)	1,682.26
Total tax expense recognised in the current year relating to continuing operation	26,664.88	6,895.34

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

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Profit before tax from continuing operation	82,862.95	23,580.42
Income Tax expense calculated @ 34.944% (Previous year 34.944%)	28,955.62	8,239.94
Effect of income that is exempt from taxation	-	-
Effect of expenses that are not deductible in determining taxable profits	426.11	2,661.55
Effect of concession (allowances)	(2,891.20)	(3,557.51)
Adjustments recognised in current year in relation to the current tax of prior years	174.35	(448.64)
Change in rate of cess (from 3% to 4%)	-	-
Income tax expense recognised in profit or loss (relating to continuing operation)	26,664.88	6,895.34

The tax rate used for the year 2021-22 in reconciliation above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.

Income Tax Recognised in Other Comprehensive Income

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Deferred Tax Liabilities / (Assets)		
Arising on income and expenses recognised in other comprehensive income :		
Net fair value gain on investment in equity shares at FVTOCI	1,042.71	7,246.86
Remeasurement of defined benefit obligation	(754.02)	(88.02)
	288.69	7,158.84
Arising on income and expenses reclassified from equity to profit or loss :		
Total income tax recognised on other comprehensive income	288.69	7,158.84
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	288.69	7,158.84
Items that may be reclassified to profit or loss	-	-
	288.69	7,158.84

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

34 EARNING PER SHARE - FROM CONTINUING OPERATIONS

[Rs. in Lakhs]

Particulars	Units	Year Ended 31.03.2022	Year Ended 31.03.2021
Net Profit After Tax available for Equity Shareholders	Rs. In Lakhs	56,198.07	16,685.08
Weighted Average Number of Equity Shares of Rs.10/- each	Number	7,34,36,928	7,34,36,928
Basic Earning per Share	Rs.	76.53	22.72
Diluted Earning per Share	Rs.	76.53	22.72

35 LEASES :

Company as a lessee

The company has lease contracts for rented premises used in its operations. The company's obligations under its lease are secured by the lessor's title to the leased asset.

(a) Amounts recognised in the Balance Sheet

[Rs. in Lakhs]

Particulars	31.03.2022	31.03.2021
(i) Right-of-use Asset		
Cost	10,563.50	8,832.15
Accumulated Depreciation	1,070.39	800.21
Net Carrying Amount	9,493.11	8,031.94
(ii) Lease liabilities - Borrowings		
Beginning of the year/period	73.81	74.69
Additions	-	-
Accretion of interest	5.69	5.76
Payments	6.64	6.64
Deletion	-	-
Closing of the year/period	72.86	73.81
Current	5.62	5.69
Non-Current	67.24	68.12

(b) Amounts recognised in the Statement Of Profit And Loss

[Rs. in Lakhs]

Particulars	31.03.2022	31.03.2021
(i) Finance Cost		
Interest Expense On Lease Liability	5.69	5.76
(ii) Depreciation		
Depreciation on right of use lease asset	270.18	257.73

(c) Amounts recognised in Cash Flow Statement

[Rs. in Lakhs]

Particulars	31.03.2022	31.03.2021
Total cash outflow for leases	6.64	6.64

(d) Expense relating to short-term leases and Low-value

[Rs. in Lakhs]

Particulars	31.03.2022	31.03.2021
Amount recognised in statement of Profit and Loss	275.87	263.49

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

36 EMPLOYEE BENEFIT PLANS

Defined Contribution Plan

An amount of Rs.1,087.90 Lakhs (FY 2020-21 Rs.3,342.89 Lakhs) contributed to Provident Fund and amount of Rs.692.52 lakhs (FY 2020-21 Rs.706.12 Lakhs) contributed to Employees Superannuation Trust is recognised as an expense and included in "Employee Benefits Expenses" (Note 28) of Statement of Profit & Loss.

Defined Benefit Plans

The Company offers the following employee benefit schemes to its employees :

- i. Gratuity (included as part of b (iii) in Note 28 Employees benefit expense)
- ii. Leave encashment (included as part of a in Note 28 Employee benefit expense)

The following table sets out the funded status of the defined benefits scheme and the amount recognised in financial statement :

As per Actuarial Valuation as on March 31, 2022

[Rs. in Lakhs]

Particulars	Gratuity	
	31.03.2022	31.03.2021
I Expense recognised in the Statement of Profit and Loss for the year ended		
a. Current Service Cost	421.55	359.82
b. Net Interest on net Defined Liability / (Asset)	1.30	(17.66)
c. Total Expenses	422.85	342.16
II Amount recognised in Other Comprehensive Income		
a. Actuarial (Gains) / Losses on Liability	2,090.05	272.97
b. Return on Plan Assets excluding amount included in Net interest on Defined Liability / (Asset) above	67.75	(21.08)
c. Total	2,157.80	251.89
III Net (Assets) / Liability recognised in the Balance Sheet as on		
a. Present Value of Defined Benefit Obligation	13,096.88	10,787.27
b. Fair Value of Plan Assets	11,042.45	11,158.42
c. Net (Asset) / Liability	2,054.43	(371.15)
IV Change in Present value of Obligation during the year ended		
a. Present Value of Defined Benefit Obligation at the beginning of the year	10,787.27	10,215.23
b. Current Service Cost	421.55	359.82
c. Interest Cost	733.54	663.99
d. Benefit paid	(935.53)	(724.74)
e. Actuarial (Gain) / Loss on obligation	2,090.05	272.97
f. Present Value of Defined Benefit Obligation at the end of the year	13,096.88	10,787.27
V Change in Fair value of Plan Assets during the year ended		
a. Fair Value of Plan Assets at the beginning of the year	11,158.42	10,518.04
b. Expected Return on Plan Assets	732.24	681.64
c. Contribution by Employer	155.07	661.09
d. Actual Benefit Paid	(935.53)	(723.43)
e. Actuarial (Gain) / Loss on Plan Assets	(67.75)	21.08
f. Fair Value of Plan Assets at the end of the year	11,042.45	11,158.42
g. Actuarial Gain / (Loss) to be recognised	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
36 EMPLOYEE BENEFIT PLANS (Contd.)

[Rs. in Lakhs]

Particulars	Gratuity	
	31.03.2022	31.03.2021
VI Actual Return on Plan Assets		
Expected Return on Plan Assets	732.24	681.64
Actuarial (Gain) / Loss on Plan Assets	(67.75)	21.08
Actual Return on Plan Assets	664.49	702.72
VII Balance Sheet Reconciliation		
Opening Net Liability	(371.15)	(302.81)
Expenses Recognised in Profit & Loss Account	422.85	342.16
Amount recognised in Other Comprehensive Income	2,157.80	251.89
Employer's Contribution	(155.07)	(662.39)
Amount Recognised in Balance Sheet (Asset) / Liability	2,054.43	(371.15)

The major categories of Plan Assets as a percentage of Total Plan Qualifying Insurance Policy : 100%

The expected contributions for Defined Benefit Plan for the next Financial Year will be in line with 2021-22.

Experience Adjustments

[Rs. in Lakhs]

Gratuity	2021-22	2020-21	2019-20	2018-19	2017-18
Present Value of funded Obligations	13,096.88	10,787.27	10,215.23	9,306.97	8,846.27
Fair Value of Plan Assets	11,042.45	11,158.42	10,518.04	9,993.58	9,428.24
Funded Status [(Surplus) / Deficit]	2,054.43	(371.15)	(302.81)	(686.61)	(581.97)
Experience adjustments on Plan Liabilities	2,349.16	63.89	231.17	(46.72)	1,577.54
Experience adjustments on Plan Assets	(67.75)	21.08	(28.78)	49.41	(127.83)

[Rs. in Lakhs]

Particulars	Leave Salary	
	31.03.2022	31.03.2021
I Expense recognised in the Statement of Profit and Loss for the year ended		
a. Current Service Cost	349.28	294.43
b. Net Interest on net Defined Liability / (Asset)	593.63	509.27
c. Actuarial (Gains) / Losses on Liability	1,775.46	601.08
d. Total Expenses	2,718.37	1,404.78
II Net (Assets) / Liability recognised in the Balance Sheet as on		
a. Present Value of Unfunded Obligations	10,651.95	8,729.77
b. Unrecognised Past Service Cost	-	-
c. Fair Value of Plan Assets	-	-
Net Liability	10,651.95	8,729.77
III Change in Present value of Obligation during the year ended		
a. Present Value of Unfunded Obligation at the beginning of the year	8,729.77	7,834.96
b. Current Service Cost	349.28	294.43
c. Interest Cost	593.63	509.27
d. Actuarial (Gain) / Loss	1,775.46	601.08
e. Benefit paid	(796.19)	(509.97)
f. Present Value of Unfunded Obligation at the end of the year	10,651.95	8,729.77

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

36 EMPLOYEE BENEFIT PLANS (Contd.)

Experience Adjustments

[Rs. in Lakhs]

Leave Salary	2021-22	2020-21	2019-20	2018-19	2017-18
Present Value of Unfunded Obligations	10,651.95	8,729.77	7,834.96	7,006.04	6,445.56
Fair Value of Plan Assets	-	-	-	-	-
Funded Status [(Surplus) / Deficit]	10,651.95	8,729.77	7,834.96	7,006.04	6,445.56
Experience adjustments on Plan Liabilities	2,010.62	410.68	346.00	255.13	1,474.63
Experience adjustments on Plan Assets	-	-	-	-	-

Actuarial Assumptions

	Year ended 31.03.2022	Year ended 31.03.2021
1 Discount Rate	6.80% p.a.	6.50% p.a.
2 Expected Return on Plan Assets	6.80% p.a.	6.50% p.a.
3 Withdrawal Rate	5% at younger ages and reducing to 1% at older ages according to graduated scale.	
4 Salary Growth Rate	7.00% p.a.	7.00 % p.a.

Sensitivity Analysis of Defined Benefit Obligation with references to Key Assumptions

[Rs. in Lakhs]

(Positive amount means increase in liability and negative amount means decrease in liability)

Particulars	Gratuity		Leave Salary	
	2021-22	2020-21	2021-22	2020-21
Discount Rate :				
One percentage increase	(801.29)	(668.96)	(721.77)	(606.64)
One percentage decrease	901.03	754.78	821.37	693.30
Salary Escalation Rate :				
One percentage increase	890.41	743.65	811.63	683.01
One percentage decrease	(806.99)	(671.93)	(726.88)	(609.32)
Withdrawal Rate :				
One percentage increase	(2.85)	(18.91)	(3.25)	(19.23)
One percentage decrease	2.95	20.83	3.40	21.47

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS

37.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as a Going Concern while maximising the return to stakeholders through optimisation of the Debt and Equity Balance.

The Company is subject to externally imposed capital requirements as part of its debt covenants such as maintaining a Total Debt to EBIDTA ratio of 2.75 times (standalone) for one bank and 3 times (consolidated) for another bank, a Debt Service Coverage ratio of 2 times for one bank and 1.30 times for another bank and a Total Debt to Tangible Net Worth ratio of 1 : 1.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital by computing the above ratios on an annual basis and ensuring that the same is in Compliance with the requirements of the Financial Covenants.

The Total Debt to EBIDTA ratio at the end of the reporting period was as follows :

[Rs. in Lakhs]

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Total Debt	59,333.67	49,692.09
EBIDTA	1,03,255.97	42,562.64
Total debt / EBIDTA	0.57	1.17

The Total Debt service coverage ratio at the end of the reporting period was as follows :

[Rs. in Lakhs]

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
EBIDTA Less Tax Paid	72,214.52	37,258.63
Interest and Installment on loans	4,902.32	7,882.86
Debt Service Coverage	14.73	4.73

The Total Debt to tangible Net Worth ratio at the end of the reporting period was as follows :

[Rs. in Lakhs]

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Total Debt	59,333.67	49,692.09
Tangible Net Worth	4,57,885.66	4,08,703.28
Total Debt / Tangible Net Worth	0.13	0.12

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS (Contd.)

37.2 Categories of Financial Instruments

The carrying value of financial instruments by categories as of March 31, 2022 is as follows :

Particulars	[Rs. in Lakhs]				
	Fair Value through Other Comprehensive Income	Fair value through profit or loss	Amortised Cost	Total Carrying value	Total fair value
Financial Assets					
Cash and Cash Equivalents	-	-	29,771.28	29,771.28	29,771.28
Other Balances with Banks	-	-	191.12	191.12	191.12
Quoted investments (Level 1)	1,36,391.92	136.45	-	1,36,528.37	1,36,528.37
Unquoted investments (Level 3)	31,409.21	2,136.65	0.20	33,546.06	33,546.06
Investment in Joint Venture	-	-	41,400.00	41,400.00	41,400.00
Trade receivables	-	-	30,264.19	30,264.19	30,264.19
Loans	-	-	5,192.68	5,192.68	5,192.68
Other financial asset	-	-	4,028.76	4,028.76	4,028.76
Total :	1,67,801.13	2,273.10	1,10,848.23	2,80,922.46	2,80,922.46
Financial Liabilities					
Short Term borrowings	-	-	4,437.45	4,437.45	4,437.45
Long Term borrowings	-	-	54,896.22	54,896.22	52,526.63
Trade Payables	-	-	35,278.07	35,278.07	35,278.07
Other financial liabilities	-	-	22,950.37	22,950.37	22,950.37
Total :	-	-	1,17,562.11	1,17,562.11	1,15,192.52

The carrying value of financial instruments by categories as of March 31, 2021 is as follows :

Particulars	[Rs. in Lakhs]				
	Fair Value through Other Comprehensive Income	Fair value through profit or loss	Amortised Cost	Total Carrying value	Total fair value
Financial Assets					
Cash and Cash Equivalents	-	-	35,520.94	35,520.94	35,520.94
Other Balances with Banks	-	-	176.97	176.97	176.97
Quoted investments (Level 1)	1,40,713.23	122.90	-	1,40,836.13	1,40,836.13
Unquoted investments (Level 3)	22,278.12	5,019.79	0.20	27,298.11	27,298.11
Investment in Joint Venture	-	-	41,400.00	41,400.00	41,400.00
Trade receivables	-	-	28,897.01	28,897.01	28,897.01
Loans	-	-	7,744.76	7,744.76	7,744.76
Other financial asset	-	-	4,670.49	4,670.49	4,670.49
Total :	1,62,991.35	5,142.69	1,18,410.37	2,86,544.41	2,86,544.41
Financial Liabilities					
Short Term borrowings	-	-	6,361.41	6,361.41	6,361.41
Long Term borrowings	-	-	43,330.68	43,330.68	43,655.16
Trade Payables	-	-	28,332.05	28,332.05	28,332.05
Other financial liabilities	-	-	20,873.95	20,873.95	20,873.95
Total :	-	-	98,898.09	98,898.09	99,222.57

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS (Contd.)

37.3 Financial Risk Management Objectives

The Company's Corporate Treasury Function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Compliance with policies and exposure limits is reviewed internally on a continuous basis. The Corporate Treasury does not enter into any trade financial instruments, including derivative financial instruments and relies on natural hedge.

The Corporate Treasury Function monitors risks and policies implemented to mitigate risk exposures on a periodical basis.

37.4 Market Risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company currently has not hedged any External Commercial Borrowings (ECBs). The Company performs an analysis of the impact of not hedging its ECBs. This has been done by comparing the actual cash outflows related to ECBs under current unhedged conditions in the past vis-a-vis the scenario of complete hedging of individual ECB on the disbursement day through quotes provided by the banks. Further, the Company parks its earnings in foreign currency in Exchange Earners Foreign Currency (EEFC) account and discharges its obligations in case of foreign currency loans out of the said account.

The Company's investments in listed and non-listed equity securities are susceptible to price risk arising from uncertainties about future value of the investment securities. The Company's non-current investment in equity shares are strategic investments and hence are considered as Fair Value through Other Comprehensive Income. The Company's Board of Directors reviews and approves all equity investment decisions.

37.5 Foreign Currency Risk Management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters. Further, the Company parks its earnings in foreign currency in Exchange Earners Foreign Currency (EEFC) account and discharges its obligations in case of foreign currency loans and towards import obligations out of the said account.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities are restated at the end of each quarter. The same at the end of the reporting period are as follows :

[Amount in INR in Lakhs]

Particulars	Currency	As at 31.03.2022		As at 31.03.2021	
		Amount in FC	Amount in INR	Amount in FC	Amount in INR
Receivables for export	US\$	35,53,289	2,693.13	10,01,455	732.16
	EURO	1,54,153	129.83	214,615	184.03
	GBP	4,91,674	488.99	310,656	312.99
Advance to suppliers	CHF	6,107	5.01	-	-
	JPY	-	-	51,75,000.00	34.21
	GBP	-	-	-	-
	US\$	-	-	5,346,231	3,908.63
	EURO	-	-	645,000	553.09
Payables for imports	JPY	-	-	-	-
	US\$	52,32,080	3,965.52	2,31,492	169.24
	EURO	2,84,745	239.82	3,14,200	269.43
	GBP	-	-	6,17,096.00	621.74
Commission payable on exports	US\$	6,600	5.00	7,252	5.30
Other payables	US\$	-	-	-	-
	EURO	17,361	14.62	28,599	24.52
	GBP	1,920	1.91	1,920	1.93
ECB Borrowings including interest accrued but not due	US\$	7,84,67,184	59,472.24	6,84,17,947	50,020.36

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS (Contd.)

37.5 Foreign Currency Risk Management (Contd.)

Foreign Currency Sensitivity Analysis

The Company is mainly exposed to US Dollar.

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. 5% is a sensitivity rate used when reporting foreign currency internally to the key management personnel and represents management's assessment of the reasonably possible changes in the foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in the foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

[Rs. in Lakhs]

Currency	Impact on profit or loss for the year		Impact on total equity as at the end of the reporting period	
	2021-22	2020-21	2021-22	2020-21
USD	3,037.48	2,277.71	1,974.55	1,480.65
GBP	(24.35)	15.53	(15.83)	10.10
EUR	6.23	(22.16)	4.05	(14.40)
CHF	(0.25)	-	(0.16)	-
JPY	-	(1.71)	-	(1.11)

37.6 Interest Rate Risk Management

The Company is exposed to interest rate risk because the Company borrows funds at floating interest rates. The risk is managed by the Company by monitoring the exchange rate on regular basis and also parking the export proceeds in the EEFC account which also provides a natural hedge for the outflows in foreign currency. Further, the Company performs an impact analysis of not hedging its ECBs. This has been done by comparing the actual cash outflows related to ECBs under current unhedged conditions in the past vis-a-vis the scenario of complete hedging of individual ECB on the disbursement day through quotes provided by the banks.

Interest Rate 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 profit before tax for the year ended would be impacted to the extent of Rs.56.28 Lakhs (Rs.87.41 lakhs for the year 2020-21).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS (Contd.)

37.7 Credit Risk Management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is operating through network of dealers based at different locations. In order to ensure the security of receivables, the Marketing Department computes an exposure ratio for every dealer based on his past turnover, track record, etc. The same is overseen and approved by the Board. Further, the Company also collects bank guarantees / security deposits from the respective dealers. Regular monitoring of the receivables is undertaken by the Marketing Department and in case the limits are exceeded, an auto lock system is in place in the SAP system of the Company to stop further supplies to the concerned dealer till the amount outstanding is recovered. In case of new customers, the goods are supplied only against advance receipts. For the export made by the Company, the sales are backed by letters of credit or advance receipts. The internal risk management committee of the Company meets regularly to discuss the dealers and credit risks, measures taken to address them and the status and level of risk after the measures taken.

Domestic & Export trade receivables are secured to the extent of interest free security deposits and bank guarantees / letter of credit received from the customers amounting to Rs.5,275.36 Lakhs and Rs.4,792.44 Lakhs as at 31st March, 2022 and 31st March, 2021 respectively. (Refer Note No. 12 for Trade Receivables outstanding).

37.8 Liquidity Risk Management

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 internal accruals. The liquidity risk is managed by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Weighted average effective interest rate (%)		Carrying Value	Upto 1 year	1-5 years	5+ years	Total
March 31, 2022							
Variable Interest rate Instruments	4.71%	US \$ in Million		5.67	72.70	-	78.37
			59,183.40	4,239.08	54,944.32	-	59,183.40
Trade Payables		Rs. In Lakhs	35,278.07	35,278.07	-	-	35,278.07
Other Financial Liabilities			22,950.37	22,883.13	67.24	-	22,950.37
March 31, 2021							
Variable Interest rate Instruments	3.76%	US \$ in Million		8.67	51.66	8.00	68.33
			49,958.50	6,336.20	37,773.50	5,848.80	49,958.50
Trade Payables		Rs. In Lakhs	28,332.05	28,332.05	-	-	28,332.05
Other Financial Liabilities			20,805.83	20,625.67	176.97	3.19	20,805.83

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS (Contd.)

37.8 Liquidity Risk Management (Contd.)

Financing facilities

[Rs. in Lakhs]

Particulars	Year ended	Year ended
	31.03.2022	31.03.2021
Secured Bank Loan facilities		
- amount used	150.26	25.21
- amount unused	12,849.74	12,974.79
Cash and cash equivalents	29,771.28	35,520.94
Other Bank Balances	191.12	176.97

37.9 Fair Value Measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

37.9.1 Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

[Rs. in Lakhs]

Financial assets / financial liabilities	Fair value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
	31.03.2022	31.03.2021		
1) Investments in equity instruments (quoted) (see note 6)	Listed equity securities in various companies engaged in fertilizer, gas and power industry domiciled in India- aggregate fair value of Rs.1,36,528.37	Listed equity securities in various companies engaged in fertilizer, gas and power industry domiciled in India- aggregate fair value of Rs.1,40,836.13	Level 1	Quoted bid prices in an active market

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS (Contd.)

37.9 Fair Value Measurements (Contd.)

[Rs. in Lakhs]

Financial assets / financial liabilities	Fair value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relation of unobservable inputs to fair value
	31.03.2022	31.03.2021				
2) Investments in equity instruments at FVTOCI (unquoted) (see note 6)	a 1) Investment in equity securities of a company belonging to the manufacturing sector domiciled in India- Rs.7,870.50	a 1) Investment in equity securities of a company belonging to the manufacturing sector domiciled in India- Rs.6,482.03	Level 3	Market Approach- Comparable Companies- In this approach, the value of shares / business of a company is determined based on market multiples of publicly traded comparable companies. (Refer note 36.9.1.1 below).	Annual Report for the previous year, shareholding pattern as on the valuation date, publicly available information and information available from secondary sources, discussion with Company personnel	The fair valuation estimates are based on historical annual accounts/ annual reports and based on information collected from public domain. Information pertaining to future expected performance of investee company including projections about their profitability, balance sheet status and cash flow expectations are not available.
	a. 2) Investment in company engaged in the business of gas marketing - aggregate fair value of Rs.2,408.53	a. 2) Investment in company engaged in the business of gas marketing - aggregate fair value of Rs.2,126.31	Level 3	(Refer note below)	Discount factor, Sales Volume and Trading Margin	No Sensitivity analysis has been carried out as at 31.03.2022 on account of non-availability of data.
<p>Note - 36.9.1.1 - Discounted Free Cash flow method has been used to arrive at the enterprise value of the gas marketing business of the investee and the exploration and production assets are valued using price of recent investment / transaction (PORI) method and reserve multiple approach. Under DCF technique, the projected free cash flows from gas marketing business of the Company are discounted at the weighted average cost of capital and the sum of the present value of such free cash flows would represent the value of business. Under the reserve multiple method past transaction multiples of oil and gas companies is used to arrive at the valuation. The investee has various investments in subsidiaries / Other investments. Each of these subsidiary and Other investments have been separately valued using market price method, DCF method, CCM method and book value (NAV) method and applied the investee's stake percentage to arrive at the fair value of investee's investment. Under the market price method, the valuation is derived from the quoted market price of the share of the Company as at the valuation date. Under CCM Method, peer multiple for one or more comparable Companies is used. Under the NAV method, the valuation is derived by calculating the net assets value of the investee as at the valuation date.</p>						
	b) Investment in equity securities of various companies belonging to the conveyance of the treated waste water and Venture Capital Fund sector domiciled in India- Rs.871.48	b) Investment in equity securities of various companies belonging to the conveyance of the treated waste water and Venture Capital Fund sector domiciled in India- Rs.784.02	Level 3	Cost Approach- Net asset value- In this approach, total value is based on the sum of net asset value as recorded on the balance sheet. A net asset methodology is most applicable for businesses where the value lies in the underlying assets and not the ongoing operations of the business. (Refer notes 36.9.1.1 and 36.9.1.2).	Shareholding pattern as on the valuation date, publicly available information and information available from secondary sources, discussion with Company personnel	The fair valuation estimates are based on historical annual accounts / annual reports and based on information collected from public domain. Information pertaining to future expected performance of investee companies including projections about their profitability, balance sheet status and cash flow expectations are not available.
	c) Investment in equity securities of a company belonging to the shipping and storage sector domiciled in India- Rs.20,258.70	c) Investment in equity securities of a company belonging to the shipping and storage sector domiciled in India- Rs.12,885.76	Level 3	Market Approach- Comparable Companies- In this approach, the value of shares / business of a company is determined based on market multiples of publicly traded comparable companies. (Refer note 36.9.1.1).	Annual Report for the previous year, shareholding pattern as on the valuation date, publicly available information and information available from secondary sources, discussion with Company personnel	The fair valuation estimates are based on historical annual accounts/ annual reports and based on information collected from public domain. Information pertaining to future expected performance of investee companies including projections about their profitability, balance sheet status and cash flow expectations are not available.
3) Investments in Securities instruments at FVTPL (unquoted) (see note 6)	a) Investment in Government Bond Securities - Rs.1,059.80	a) Investment in Government Bond Securities - Rs.1,556.67	Level 3	Market Approach	Valued using input based on information about market participants assumptions and other data that are available	The fair valuation estimates are based on historical information and based on information collected from public domain.
	b) Investment in Private Bond Securities - Rs.1,064.54	b) Investment in Private Bond Securities - Rs.3,450.80				
	c) Investment in Mutual Fund Securities - Rs.12.32	c) Investment in Mutual Fund Securities - Rs.12.32				

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS (Contd.)

37.9 Fair Value Measurements (Contd.)

37.9.1.1 The Company has invested in the equity instruments of various companies. However, the percentage of shareholding of the Company in such investee companies is very low and hence, it has not been provided with future projections including projected profit and loss account by those investee companies. Hence, the independent valuer appointed by the Company has estimated fair value based on available historical Annual Reports of such companies and other information as available in the public domain and is being relied upon. Since the future projections are not available, discounted cashflow approach for fair value determination has not been followed.

37.9.1.2 In case of some companies, there are no comparable companies valuations available. In light of no information available for future projections, capacity utilisation, commencement of operations, etc., the valuation is based on cost approach.

37.9.2 Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the Company considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Fair Value Hierarchy as at 31.03.2022

[Rs. in Lakhs]

Particulars	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Long Term Borrowings	-	-	52,526.63	52,526.63

Fair Value Hierarchy as at 31.03.2021

[Rs. in Lakhs]

Particulars	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Long Term Borrowings	-	-	43,655.16	43,655.16

37.9.3 Reconciliation of Level 3 fair value measurements

[Rs. in Lakhs]

Particulars	Investment in unquoted Securities irrevocably designated as FVTPL	Investment in unquoted shares irrevocably designated as FVTOCI
For the year ended March 31, 2022		
Opening Balance	5,019.79	22,278.12
Purchases / (Sale)	(2,883.14)	-
Total gains/(losses) in other comprehensive income	-	9,131.09
Total gains/(losses) in Profit & Loss Account	-	-
Closing balance	2,136.65	31,409.21
For the year ended March 31, 2021		
Opening Balance	-	24,878.66
Purchases	5,047.20	30.00
Total gains/(losses) in other comprehensive income	-	(2,630.54)
Total gains/(losses) in Profit & Loss Account	(27.41)	-
Closing balance	5,019.79	22,278.12



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

38 RELATED PARTY TRANSACTIONS

The Company is controlled by Government of Gujarat and Gujarat Industrial Investment Corporation Limited and hence the Company is a Government related entity as per Ind AS 24 'Related Party Disclosures'.

[Rs. in Lakhs]

Name of the Party	Nature of Relationship	Nature of Transaction	Volume of Transaction in 2021-22	Amount Outstanding as on 31.03.2022	Volume of Transaction in 2020-21	Amount Outstanding as on 31.03.2021
GACL-NALCO Alkalies & Chemicals Pvt. Ltd.	Joint Venture	Deputation Allowance	3.15	-	-	-
		Rent Receipt	34.14	0.49	32.52	-
		Assets Purchase	47.53	0.82	-	-
		Sale of Goods	193.69	178.83	0.80	-
		Security Deposit Received	-	2.69	-	2.69
		GST Recovery	-	-	1,310.33	1,310.33
		SAP Expenses	-	-	20.41	20.41
		Investment in Equity Shares	-	41,400.00	5,400.00	41,400.00
National Aluminium Company Limited	Joint Venture Partner	Purchase of Goods	2,349.62	66.86	4,172.13	22.41
Delhi Jal Board	Government related Entity	Sale of Goods	657.94	161.30	523.10	259.48
Gujarat Water Supply & Sewage Board	Government related Entity	Sale of Goods	122.57	108.30	133.25	73.18
Gujarat State Petroleum Corporation Ltd.	Associates	Purchase of Goods	34.70	-	2,200.40	12.66
		Investment in Equity Shares	-	1,349.99	-	1,349.99
Gujarat State Financial Services Limited	Government related Entity	Deposits - Placed	1,27,600.00	30,000.00	2,02,050.00	40,500.00
		Deposits - Withdraw	1,38,100.00	-	2,22,550.00	-
		Interest Received	1,196.15	-	5,175.45	-
Gujarat State Investment Ltd.	Promoters	Share Capital	-	1,532.93	-	1,532.93
		Dividend Paid	1,226.35	-	1,226.35	-
Gujarat Industrial Investment Corporation Ltd.	Promoters	Share Capital	-	711.90	-	711.90
		Dividend Paid	569.52	-	569.52	-
Gujarat Maritime Board	Promoters	Share Capital	-	273.47	-	273.47
		Dividend Paid	218.78	-	218.78	-
Gujarat Industrial Development Corporation	Promoters	Share Capital	-	289.77	-	289.77
		Dividend Paid	231.82	-	231.82	-
		Contribution for 100 MLD Desalination Project	1,888.41	9,120.00	-	-
Gujarat Mineral Development Corporation Ltd.	Promoters	Share Capital	-	414.54	-	414.54
		Dividend Paid	331.63	-	331.63	-
Gujarat State Fertilizers & Chemicals Ltd.	Associates	Investment in Equity Shares	-	1,500.00	-	1,500.00
		Purchase of Goods	0.01	-	262.88	-
		Sale of Goods	3,180.07	389.89	1,524.68	141.32
		Dividend Received	165.00	-	90.00	-
Gujarat Urja Vikas Nigam Limited	Associates	Purchase of Goods	1,812.56	-	1,236.39	396.15
		Sale of Goods	1,368.09	109.22	-	-
Gujarat Narmada Valley Fertilizers & Chemicals Limited	Promoters	Purchase of Goods	338.04	22.32	1,274.34	182.13
		Sale of Goods	833.09	68.89	879.15	211.15
		Share Capital	-	176.00	-	176.00
		Dividend Paid	140.80	-	140.80	-
Gujarat Industries Power Company Limited	Associates	Investment in Equity Shares	-	8,139.82	-	8,139.82
		Sale of Goods	16.34	0.67	24.65	0.36
		Purchase of Goods	9,634.23	56.13	14,569.22	50.63
		Dividend Received	623.40	-	669.58	-
Gujarat Gas Limited	Associates	Investment in Equity Shares	-	2,000.00	-	2,000.00
		Dividend Received	426.32	-	266.45	-
Gujarat Guardian Limited	Associates	Director Sitting Fees Received	0.15	-	-	-
		Investment in Equity Shares	-	742.50	-	742.50
		Dividend Received	556.88	-	438.08	-
GACL Education Society	Associates	Contribution for CSR Activities	583.48	-	895.98	-
		Rent Receipt	6.40	0.65	6.21	0.15
Gujarat State Electricity Corporation Limited	Government related Entity	Security Deposit Received	-	4.06	-	4.06
		Sale of Goods	518.80	88.69	-	-
Gujarat Chemical Port Limited	Associates	Rent Paid	499.18	40.67	-	-
		Dividend Income	147.34	-	110.50	-
		Investment in Equity Shares	-	613.90	-	613.90
Gujarat State Petronet Limited	Associates	Purchase of Goods	49.46	-	-	-
Vadodara Jal Sanchay Pvt. Ltd.	Associates	Investment in Equity Shares	-	30.00	30.00	30.00
Shri P K Gera, IAS (Retd.), Managing Director	Key Management Personnel	Remuneration	-	-	20.70	-
Shri Milind Torawane, IAS, Managing Director	Key Management Personnel	Charge Allowance	0.47	-	-	-
Shri Harshad R. Patel, IAS, Managing Director	Key Management Personnel	Remuneration	3.76	-	-	-
Shri S S Bhatt, Company Secretary and CGM (Legal & CC)	Key Management Personnel	Remuneration	44.18	-	36.86	-
Shri Vinayak Kudtarkar – General Manager (Finance) & Chief Financial Officer	Key Management Personnel	Loans	11.88	11.41	-	1.38
		Remuneration	37.16	-	30.30	-
Shri Anil Mukim, IAS - Chairman (Upto 03.09.2021)	Key Management Personnel	Loans	-	5.58	-	7.69
		Sitting Fees	0.35	-	1.00	-
Shri Pankaj Kumar, IAS - Chairman (From 07.09.2021)	Key Management Personnel	Sitting Fees	0.88	-	-	-
		Sitting Fees	-	-	-	-
Shri M K Das, IAS - Director	Key Management Personnel	Sitting Fees	1.58	-	0.38	-
Smt. Vasuben Trivedi - Director (Upto 14.02.2022)	Key Management Personnel	Sitting Fees	4.20	-	2.80	-
Shri Rajiv Lochan Jain - Director	Key Management Personnel	Sitting Fees	5.78	-	3.10	-
Shri S B Dangayach - Director	Key Management Personnel	Sitting Fees	5.25	-	2.90	-
Shri Rohitbhai J Patel - Director (Upto 10.11.2020)	Key Management Personnel	Sitting Fees	-	-	0.90	-
Shri Tapan Ray - Director, IAS (Retd.) (Upto 31.12.2021)	Key Management Personnel	Sitting Fees	2.45	-	0.18	-
Shri Pankaj Joshi, IAS - Director (Upto 02.11.2021)	Key Management Personnel	Sitting Fees	1.58	-	1.30	-
Shri Nitin Shukla - Director (From 24.03.2022)	Key Management Personnel	Sitting Fees	0.18	-	-	-
Shri J P Gupta, IAS - Director (From 15.12.2021)	Key Management Personnel	Sitting Fees	0.18	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

39 THE BREAK-UP OF PAYMENT TO AUDITORS (NET OF TAXES) IS AS UNDER :

Particulars	[Rs. in Lakhs]	
	2021-22	2020-21
Audit Fees - Standalone & Consolidated	12.00	10.50
Quarterly/Half Yearly Review	3.50	3.00
Out of Pocket Expenses	-	-
Total	15.50	13.50

40 INCOME AND EXPENDITURE IN FOREIGN CURRENCY

Sr. No.	Particulars	[Rs. in Lakhs]	
		2021-22	2020-21
(a)	Earnings in Foreign Exchange - Export of Goods on F.O.B. basis (includes Deemed Export sales)	49,715.07	33,996.65
(b)	Expenditure in Foreign Currency (on accrual basis) on account of :		
	(i) Interest	908.12	453.08
	(ii) Foreign Tour Expenses	0.57	-
	(iii) Bank charges and Commission	0.06	183.71
	(iv) Subscription	42.60	-
	(v) Commission on Export Sales	5.00	12.82
	(vi) AMC & Other Charges (For ISO Tank)	34.93	57.88
	(vii) Other Expenses	1,363.17	1,908.02

41 VALUE OF IMPORTS ON CIF BASIS

Particulars	[Rs. in Lakhs]	
	2021-22	2020-21
Raw Materials	29,314.35	14,324.98
Purchase of Traded Goods - Phosphoric Acid	-	302.00
Stores and Spare Parts	277.20	528.94
Capital Goods	12,597.60	11,452.91

42 FOREIGN CURRENCY EXPOSURES

The Company has not taken any derivative instrument during the year. The year end unhedged foreign currency exposures are given below :

Amount Receivable on account of export of goods and services and Advance to Suppliers :

Particulars	Currency	As on 31.03.2022		As on 31.03.2021	
		Rs. in Lakhs	Amount in FC	Rs. in Lakhs	Amount in FC
Receivable for Exports	US \$	2,693.13	35,53,289	732.16	10,01,455
	EURO	129.83	1,54,153	184.03	2,14,615
	GBP	488.99	4,91,673	312.99	3,10,656
Advance to Suppliers	CHF	5.01	6,107.00	-	-
	JPY	-	-	34.21	51,75,000
	GBP	-	-	-	-
	US \$	-	-	3,908.63	53,46,231
	EURO	-	-	553.09	6,45,000

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

42 FOREIGN CURRENCY EXPOSURES (Contd.)

Amount payable on account of import of goods, services and others :

Particulars	Currency	As on 31.03.2022		As on 31.03.2021	
		Rs. in Lakhs	Amount in FC	Rs. in Lakhs	Amount in FC
Payables for Imports	JPY	-	-	-	-
	US \$	3,965.52	52,32,080	169.24	2,31,492
	EURO	239.82	2,84,745	269.43	3,14,200
	GBP	-	-	621.74	6,17,096
Commission payable on exports	US \$	5.00	6,600	5.30	7,252
Other Payables	US \$	-	-	-	-
	GBP	1.91	1,920	1.93	1,920
	EURO	14.62	17,361	24.52	28,599

Amount payable on account of ECB Borrowings :

Particulars	Currency	As on 31.03.2022		As on 31.03.2021	
		Rs. In Lakhs	Amount in FC	Rs. In Lakhs	Amount in FC
ECB and Accrued interest	US \$	59,472.24	7,84,67,184	50,020.36	6,84,17,947

43 CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

[Rs. in Lakhs]

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i) Contingent Liabilities		
(a) Claims against the Company not acknowledged as debt	19,978.46	22,472.11
(b) Various pending cases before Labour court and Industrial Tribunal	Not ascertainable	Not ascertainable
(c) Disputed Sales Tax liability [Including Purchase Tax Liability (2000-01 to 2005-06)]	21,085.14	21,085.14
(d) Disputed Excise Duty liability	3,190.02	3,175.50
(e) Disputed Service Tax liability	706.29	706.50
(f) Disputed Income Tax liability (excluding interest) :		
(i) Pending Before Appellate Authorities in respect of which the Company is in appeal	1,098.91	1,313.88
(ii) Decided in Company's favour by Appellate Authorities and Department is in further appeal	13,086.28	13,086.28
	59,145.10	61,839.41
In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements pending at various forums / authorities.		
(g) Guarantees given by the Company's Bankers for various purposes are	12,316.45	13,375.87
Total (i)	71,461.55	75,215.28
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	39,502.67	92,622.96
Total (ii)	39,502.67	92,622.96
Total	1,10,964.22	1,67,838.24

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

44 The Company's operations fall under single segment namely "Chemicals" hence no separate disclosure of segment reporting is required to be made as required under Ind AS 108 'Operating Segments'.

45 CORPORATE SOCIAL RESPONSIBILITIES (CSR)

Details of Corporate Social Responsibility (CSR) expenditure

[Rs. in Lakhs]

Sr. No.	Particulars	31-Mar-22	31-Mar-21
1	Amount required to be spent by the company during the year	1,154.96	1,475.72
2	Amount of expenditure incurred	552.00	1,501.79
3	Shortfall / (Excess) at the end of the year (1-2)	602.96	(26.07)
4	Total of previous years shortfall / (Excess)	-	-
5	Reason for shortfall	The amount of shortfall is pertaining to Ongoing CSR activities and will be utilised for the same in three Financial Years i.e. FY 2022-23 onwards.	Excess spent
6	Nature of CSR activities	Promoting Education, Special Children Interventions, Health, Nutrition and Sanitation Interventions, Promotion of Art, Culture and Heritage including other CSR activities mentioned under Schedule VII of the Companies Act, 2013.	

Details of ongoing project and other than ongoing project#

[Rs. in Lakhs]

In case of Section 135(6) (Ongoing Project)							
Year	Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
	With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
2021-22##	-	-	1,154.96	552.00	-	602.96	-
2020-21 #	-	-	895.98	895.98	-	-	-

As at March 31, 2021, Rs. 99.43 Lakhs contributed to GACL Education Society (GES) towards ongoing projects remained unspent, which were transferred to GES Unspent Corporate Social Responsibility Account 2020-21 within 30 days from close of financial year.

As at March 31, 2022, Rs. 602.96 Lakhs (refer note no. 23) towards unspent CSR amount for various ongoing projects is transferred to separate bank account within 30 days from close of financial year.

[Rs. in Lakhs]

Year	In case of Section 135(5) (Other than ongoing project)				
	Opening Balance	Amount deposited in Specified Fund of Schedule VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
2021-22	-	-	-	-	-
2020-21	-	-	579.74	605.81	(26.07)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

46 Ratios

Particulars	Formula	31-Mar-22	31-Mar-21	% Variance	Reason for variance
		Ratio	Ratio		
Current ratio (Times)	Current assets/ Current liabilities	1.49	1.78	(16.29)	-
Debt-equity ratio (Times)	Total debt/ Shareholder's Equity	0.13	0.12	8.33	-
Debt service coverage ratio (Times)	Earnings available for debt service/ Debt Service	14.73	4.73	211.42	Due to increase in earnings and decrease in the debt.
Return on equity ratio (%)	[Net Profits after taxes – Preference Dividend (if any)]/ Average Shareholder's Equity	12.97	4.14	8.83	-
Inventory turnover ratio (Times)	Cost of goods sold / Average Inventory	9.10	8.49	7.18	-
Trade receivables turnover ratio (Times)	Net Credit Sales/ Average Accounts Receivable	12.45	7.07	76.10	Increase in Turnover and decrease in Receivables
Trade payables turnover ratio (Times)	Net Credit Purchases/ Average Trade Payables	8.04	5.87	36.97	Due to increase in credit purchases
Net capital turnover ratio (Times)	Net Sales/ Working Capital	10.26	4.91	108.96	Due to increase in turnover and decrease in working capital
Net profit ratio (%)	Net Profit/ Net Sales	15.26	7.12	8.14	-
Return on capital employed (%)	Earning before interest and taxes/ Capital Employed	15.15	5.10	10.05	-
Return on investment (%)	Total Comprehensive Income / Net Worth	12.79	20.52	(7.73)	-

47 OTHER STATUTORY INFORMATION

- 47.1 The Company does not have any Immovable Property whose title deeds are not held in the name of the Company.
- 47.2 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 47.3 The Company has utilised funds raised from issue of securities or borrowings from banks and financial institutions for the specific purposes for which they were issued/taken.
- 47.4 The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

- 47.5 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:
- 47.5(a) 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
- 47.5(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 47.6 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:
- 47.6(a) 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
- 47.6(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 47.7 On the basis of information available, the Company does not have any transactions with struck-off companies.
- 47.8 The Company does not have any transaction which is not recorded in the books of accounts but 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).
- 47.9 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 47.10 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- 47.11 The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

48 Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification / disclosure.

49 Approval of Financial Statements

The financial statements are approved for issue by the Board of Directors on 24th May, 2022

As per our attached Report of even date.

For and on behalf of the Board

For **K. C. Mehta & Co.**
Chartered Accountants
Firm Reg. No. : 106237W

Harshad R. Patel, IAS
Managing Director
DIN No. : 08101424

Pankaj Kumar, IAS
Chairman
DIN No. : 00267528

Pritesh Amin
Partner
Membership No. 105926

Vinayak Kudtarkar
General Manager (Finance) &
Chief Financial Officer

S. S. Bhatt
Company Secretary &
Chief General Manager
(Legal & CC)

Place : Gandhinagar
Date : 24th May, 2022

INDEPENDENT AUDITORS' REPORT

**To The Members of
Gujarat Alkalies and Chemicals Limited**

Report on the Audit of the Consolidated financial statements

Opinion

We have audited the accompanying Consolidated financial statements of **Gujarat Alkalies and Chemicals Limited** ("the Holding Company" or "the Company") and its jointly controlled entity (Holding Company and its jointly controlled entity together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report on separate financial statements and on the other financial information of the jointly controlled entity as referred to in the "Other Matter", the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2022, of

consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated 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 Consolidated 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 Consolidated 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 on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1	<p><u>Valuation of Investments (Unquoted) (Refer to note 6 and 37.9.1 to the Consolidated financial statements)</u> Investments in Equity and Securities Instruments (Unquoted) aggregates a significant amount of the Company's Total assets as at March 31, 2022. The Company measures its investments in Equity Instruments (Unquoted) at Fair Value through Other Comprehensive Income and its investment in Securities Instruments (Unquoted) at fair value through Profit and Loss as at the Balance Sheet date. Fair value is determined using valuation approach / methodology for which significant inputs are unobservable inputs (Level 3 inputs).</p>	<p><u>Principal Audit Procedures</u> Our audit procedures included:</p> <ol style="list-style-type: none"> 1) Evaluated and tested the design and operating effectiveness of the key controls implemented by the Company with respect to the valuation of Investments in Equity and Securities instruments (unquoted), inter alia controls around: <ol style="list-style-type: none"> a) periodic review by management of the risks of the valuation approach/ methodology; b) the verification and validation of unobservable inputs; c) selection and competence evaluation of external valuer; 2) Involved the Internal fair value specialist and: <ol style="list-style-type: none"> a) Assessed the reasonableness of the valuation approach / methodology and inputs used; b) Assessed the reasonableness of the valuation results determined by the external valuer.

Sr. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
	The valuation approach / methodology adopted by the management in certain cases are single valuation methods and, in some cases, multiple valuation approaches, and hence involve significant judgment as regards the methods and inputs used.	Conclusion: Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation, and disclosure of the subject matter in Consolidated financial statements..

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding 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, Management Discussion and Analysis, Corporate Governance Report and Shareholder's Information but does not include the Consolidated 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 Consolidated financial 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 Consolidated 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 Consolidated 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 Consolidated Financial Statements

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

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated 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 Consolidated 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 Group incorporated in India have 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 Consolidated 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 Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, to express an opinion on the consolidated financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statements also include the Holding Company's share of total assets of Rs. 40,884.49 lakhs as at March 31, 2022 and share of net loss of Rs. 221.74 lakhs for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of jointly controlled entity, whose financial statements have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act based on our audit and on the consideration of report on separate financial statements and on the other financial information of jointly controlled entity, as noted in "Other Matter" above, 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 of the aforesaid consolidated financial statements;
 - b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books;
 - c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account and records maintained for the purpose of preparation of the consolidated financial statements;
 - d. in our opinion, the aforesaid Consolidated 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 of the Holding Company as on March 31, 2022 and taken on record by the Board of Directors of the Holding Company and the reports of the jointly controlled entity incorporated in India none of the directors of the group companies is disqualified as on March 31, 2022, 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 Consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure "A";
 - 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:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act; and

- h. with respect to the other matters to be included in the Auditors' 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 Group has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements – refer Note 43 to the Consolidated financial statements;
 - ii. the Group did not have any long-term contracts including derivative contracts for which there were material foreseeable losses as at March 31, 2022;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.
 - iv. (a) the respective managements of the Company and its jointly controlled entity incorporated in India has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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 or its jointly controlled entity to or in any other person(s) or entity(ies), 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 respective management of the Company and its jointly controlled entity incorporated in India has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company or its jointly controlled entity from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company or its jointly controlled entity 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; and
 - (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. As stated in Note 15(v) to the Consolidated financial statements
- (a) The final dividend proposed in the previous year, declared and paid by the company during the year is in accordance with Section 123 of the Act, as applicable
 - (b) The Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
2. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us and its jointly controlled entity included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **K.C. Mehta & Co.**
Chartered Accountants
Firm's Registration No. 106237W

Pritesh Amin
Partner

Place: Vadodara
Date: May 25, 2022

Membership No. 105926
UDIN: 22105926AJPSAF7070



ANNEXURE “A” 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 Gujarat Alkalies and Chemicals Limited on the Consolidated financial statements of even date)

Report on the Internal Financial Controls with reference to Consolidated 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 Consolidated financial statements of **Gujarat Alkalies and Chemicals Limited** (“the Company”) as of March 31, 2022, in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its jointly controlled entity which is company incorporated in India are 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 Consolidated 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 Standards 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 Consolidated 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 Consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated financial statements included obtaining an understanding of internal financial controls with reference to Consolidated 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 Consolidated 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 Consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A Company’s internal financial controls with reference to consolidated 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 Consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to Consolidated 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 Consolidated financial statements to future



periods are subject to the risk that the internal financial control with reference to Consolidated 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 Holding Company and its jointly controlled entity which is company incorporated in India have, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to Consolidated financial statements were operating effectively as at March 31, 2022, 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 **K.C. Mehta & Co.**
Chartered Accountants
Firm's Registration No. 106237W

Place: Vadodara
Date: May 25, 2022

Pritesh Amin
Partner
Membership No. 105926
UDIN: 22105926AJPSAF7070



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

[Rs. in Lakhs]

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
I ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	2,60,226.79	2,50,120.96
(b) Right of use asset	3	9,493.11	8,031.94
(c) Capital work-in-progress	3	1,78,735.04	1,10,941.76
(d) Other Intangible assets	4	444.85	532.88
(e) Financial Assets			
(i) Investments			
(a) Investment in Joint Venture	5	40,884.49	41,106.22
(b) Other Investments	6	1,67,801.13	1,62,991.35
(ii) Loans	7	70.87	94.12
(iii) Other Financial assets	8	2,468.93	2,361.86
(f) Non-Current Tax Assets (Net)	9	17,164.13	10,824.20
(g) Other non-current assets	10	11,048.81	19,582.92
Total Non - current assets		6,88,338.15	6,06,588.21
(2) Current assets			
(a) Inventories	11	35,313.69	22,572.25
(b) Financial Assets			
(i) Other Investments	6	2,273.30	5,142.89
(ii) Trade receivables	12	30,264.19	28,897.01
(iii) Cash and cash equivalents	13	29,771.28	35,520.94
(iv) Bank balance other than (iii) above	14	191.12	176.97
(v) Loans	7	5,121.81	7,650.64
(vi) Other Financial assets	8	1,559.83	2,308.63
(c) Other current assets	10	4,908.72	6,588.66
Total Current assets		1,09,403.94	1,08,857.99
TOTAL ASSETS		7,97,742.09	7,15,446.20
General Information	1		
Significant Accounting Policies	2		

See accompanying notes forming part of financial statements.

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As per our attached Report of even date.

For and on behalf of the Board

For **K. C. Mehta & Co.**
Chartered Accountants
Firm Reg. No. : 106237W

Harshad R. Patel, IAS
Managing Director
DIN No. : 08101424

Pankaj Kumar, IAS
Chairman
DIN No. : 00267528

Pritesh Amin
Partner
Membership No. 105926

Vinayak Kudtarkar
General Manager (Finance) &
Chief Financial Officer

S. S. Bhatt
Company Secretary &
Chief General Manager
(Legal & CC)

Place : Gandhinagar
Date : 24th May, 2022

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022 (Contd.)

[Rs. in Lakhs]

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
II EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity Share capital	15	7,343.84	7,343.84
(b) Other Equity	16	5,82,585.92	5,30,121.24
Total Equity		5,89,929.76	5,37,465.08
(2) LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	54,896.22	43,330.68
(ii) Lease Liabilities	18	67.24	68.12
(b) Provisions	19	14,901.52	11,252.57
(c) Deferred tax liabilities (Net)	20	64,438.40	62,186.35
Total Non-current liabilities		1,34,303.38	1,16,837.72
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	4,437.45	6,361.41
(ii) Lease Liabilities	18	6.11	6.19
(iii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	21	2,632.39	3,826.04
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	21	32,645.68	24,506.01
(iv) Other financial liabilities	22	22,877.02	20,799.64
(b) Other current liabilities	23	7,078.75	2,291.79
(c) Provisions	19	1,763.11	1,283.88
(d) Current Tax Liabilities (Net)	9	2,068.44	2,068.44
Total Current Liabilities		73,508.95	61,143.40
Total Liabilities		2,07,812.33	1,77,981.12
TOTAL EQUITY AND LIABILITIES		7,97,742.09	7,15,446.20
General Information	1		
Significant Accounting Policies	2		

See accompanying notes forming part of financial statements.

3-48

As per our attached Report of even date.

For and on behalf of the Board

For **K. C. Mehta & Co.**
Chartered Accountants
Firm Reg. No. : 106237W

Harshad R. Patel, IAS
Managing Director
DIN No. : 08101424

Pankaj Kumar, IAS
Chairman
DIN No. : 00267528

Pritesh Amin
Partner
Membership No. 105926

Vinayak Kudtarkar
General Manager (Finance) &
Chief Financial Officer

S. S. Bhatt
Company Secretary &
Chief General Manager
(Legal & CC)

Place : Gandhinagar
Date : 24th May, 2022



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

[Rs. in Lakhs]

Particulars	Note No.	Year Ended 31.03.2022	Year Ended 31.03.2021
I. Revenue from operations	24	3,75,873.59	2,42,948.06
II. Other Income	25	4,638.98	6,745.70
III. Total Income (I + II)		3,80,512.57	2,49,693.76
IV. Expenses:			
Cost of materials consumed	26	1,27,854.17	92,620.03
Purchase of Stock-in-Trade		513.14	1,657.13
Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(306.34)	(836.16)
Employee benefits expense	28	27,193.41	23,319.66
Finance costs	29	614.63	1,546.16
Depreciation and amortisation expense	30	19,778.39	17,436.06
Power, Fuel & Other Utilities	31	73,904.94	49,607.54
Other expenses	32	48,097.28	40,762.92
Total Expenses		2,97,649.62	2,26,113.34
V. Share of Profit / (Loss) of Joint Venture		(221.74)	(111.35)
VI. Profit before Tax (III - IV + V)		82,641.21	23,469.07
VII. Tax expense	33		
(a) Current tax		26,946.97	5,661.72
(b) Deferred tax		(456.44)	1,682.26
(c) Net Tax Adjustment of earlier year		174.35	(448.64)
		26,664.88	6,895.34
VIII. Profit for the year (VI - VII)		55,976.33	16,573.73
IX. Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Actuarial Gain / (Loss) on Gratuity		(2,157.80)	(251.89)
Deferred Tax Assets / (liabilities) on defined benefit obligation - Gratuity		754.02	88.02
Investment adjustment - FVTOCI		4,809.78	74,609.05
Deferred Tax Assets / (liabilities) on net fair value gain on investment in equity instruments at FVTOCI		(1,042.71)	(7,246.86)
Total Other Comprehensive Income (IX)		2,363.29	67,198.32
X. Total Comprehensive Income (VIII + IX)		58,339.62	83,772.05
XI. Earning per equity share (face value Rs.10/-each):	34		
(1) Basic (Rs.)		76.22	22.57
(2) Diluted (Rs.)		76.22	22.57
General Information	1		
Significant Accounting Policies	2		

See accompanying notes forming part of financial statements.

3-48

As per our attached Report of even date.

For and on behalf of the Board

For **K. C. Mehta & Co.**
Chartered Accountants
Firm Reg. No. : 106237W

Harshad R. Patel, IAS
Managing Director
DIN No. : 08101424

Pankaj Kumar, IAS
Chairman
DIN No. : 00267528

Pritesh Amin
Partner
Membership No. 105926

Vinayak Kudtarkar
General Manager (Finance) &
Chief Financial Officer

S. S. Bhatt
Company Secretary &
Chief General Manager
(Legal & CC)

Place : Gandhinagar
Date : 24th May, 2022

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2022

[Rs. in Lakhs]

Particulars	2021-22	2020-21
A Cash Flow from Operating Activities	73,483.16	42,117.23
B Cash Flow from Investing Activities	(80,543.47)	(33,244.83)
C Cash Flow from Financing Activities	1,174.42	22,606.65
D Effect of unrealised exchange differences on translation of foreign currency cash and cash equivalents	136.23	(197.12)
E Cash and Cash Equivalents at the beginning of the year	35,520.94	4,239.01
F Cash and Cash Equivalents at the end of the year	29,771.28	35,520.94
G Total Cash Flow During the year (A+B+C+D) or (F-E)	(5,749.66)	31,281.93
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit / (Loss) Before Tax	82,641.21	23,469.07
Adjustments For :		
Addition / (Deduction)		
Share of (Profit) / Loss in Joint Venture	221.74	111.35
Depreciation and Amortisation Expenses	19,778.39	17,436.06
Interest Income	(1,694.33)	(4,472.36)
Dividend Received	(1,918.93)	(1,574.60)
Interest Expense	614.63	819.84
Net (Profit) / Loss on Sale of Property Plant & Equipment	40.94	31.96
Net (Gain) / Loss arising from Financial Assets designated as FVTPL	(962.56)	2,253.92
Unrealised exchange (gain)/loss	22.46	(57.09)
Provision for Expected credit loss allowances	31.93	342.11
Provision for Gratuity/Leave	2,189.95	826.47
Stores and Spares W/off	805.36	66.96
Sub Total	19,129.58	15,784.62
Operating Profit Before Working Capital Changes	1,01,770.79	39,253.69
Decrease or (Increase) in Assets :		
Trade Receivables	(1,441.07)	8,139.42
Loans	52.08	68.11
Other Assets	1,617.98	(206.13)
Other Financial Assets	352.79	(879.94)
Inventories	(13,546.80)	988.23
Increase / (Decrease) in Liabilities :		
Trade Payables and Other Current Liabilities	11,795.08	(2,008.14)
Provisions	151.59	192.51
Other Financial Liabilities	3,772.17	1,873.49
Cash Generated from Operations Before Tax	1,04,524.61	47,421.24
Direct Taxes Paid	(31,041.45)	(5,304.01)
Net Cash Flow generated from Operating Activities : (Total - A)	73,483.16	42,117.23



CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

[Rs. in Lakhs]

Particulars	2021-22	2020-21
B CASH FLOW FROM INVESTING ACTIVITIES :		
Payment for Property Plant & Equipment	(31,312.11)	(15,692.24)
Payment for Intangible Assets	(16.21)	(58.88)
Proceeds from disposal of Property Plant & Equipment	110.50	350.64
Payment for Capital Work-in-progress	(59,559.88)	(63,714.97)
Payment for Investment in Joint Venture	-	(5,400.00)
Payment for Investments	-	(21,006.05)
Proceed from Sale of Investment	3,832.13	11,730.39
Interest Received	1,983.27	5,471.68
Dividend Received	1,918.93	1,574.60
Proceeds/Payment for Deposit	(0.10)	-
Proceeds/Payment for Short Term Deposits	2,500.00	53,500.00
Net Cash used in Investment Activities - (Total - B)	(80,543.47)	(33,244.83)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Interest and Finance charges paid	(596.47)	(871.15)
Dividend paid	(5,889.00)	(5,888.07)
Unpaid Dividend	14.05	13.12
Proceeds from Non-Current Borrowings	13,812.50	36,054.17
Repayment of Non-Current Borrowings	(6,285.07)	(6,506.50)
Proceeds/Repayment from/of Current Borrowings (Net)	125.05	(188.28)
Repayment of Lease Liabilities	(0.95)	(6.64)
Repayment of Lease Liabilities - Interest	(5.69)	-
Net Cash used in Financing Activities - (Total - C)	1,174.42	22,606.65
D Effect of unrealised exchange differences on translation of foreign currency cash and cash equivalents	136.23	(197.12)
E CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR :		
Cash and Cheques on Hand	3.34	3.51
Balances with Banks	2,517.60	4,235.50
Balances with Financial Institution	33,000.00	-
Net Cash and Cash Equivalents at the beginning of the year (Total - E)	35,520.94	4,239.01
F CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR :		
Cash and Cheques on Hand	3.61	3.34
Balances with Banks	4,767.67	2,517.60
Balances with Financial Institution	25,000.00	33,000.00
Net Cash and Cash Equivalents at the end of the year (Total - F)	29,771.28	35,520.94
G TOTAL CASH FLOW DURING THE YEAR (A+B+C+D) OR (F-E)	(5,749.66)	31,281.93

Note :-

- The Cash Flow Statement has been prepared under the 'Indirect Method' set out in IndAS -7 "Statement of Cash Flows".
- Changes in liability arising from financial activities:

Long term Borrowings	2021-22	2020-21
Opening Balance	49,666.88	20,267.63
Cash in flow - Receipt of New Borrowings	13,812.50	36,054.17
Cash out Flow - Repayment of Borrowings	(6,285.07)	(6,506.50)
Foreign Exchange and non-cash movement (net off)	1,989.10	(148.42)
Closing Balance	59,183.41	49,666.88

- Previous Year's figures have been regrouped / rearranged to confirm to the current years presentation, wherever necessary.

See accompanying notes forming part of financial statements. 1-48.

As per our attached Report of even date.

For **K. C. Mehta & Co.**
Chartered Accountants
Firm Reg. No. : 106237W

Pritesh Amin
Partner
Membership No. 105926

Harshad R. Patel, IAS
Managing Director
DIN No. : 08101424

Vinayak Kudtarkar
General Manager (Finance) &
Chief Financial Officer

For and on behalf of the Board
Pankaj Kumar, IAS
Chairman
DIN No. : 00267528

S. S. Bhatt
Company Secretary &
Chief General Manager
(Legal & CC)

Place : Gandhinagar
Date : 24th May, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

[Rs. in Lakhs]

Particulars	Equity share capital	Retained Earnings				Other Comprehensive Income - Fair value of equity instrument	Total Other Equity	Total Equity
		Capital Reserve	General Reserve	Security premium	Retained Earnings			
Balance as at April 1, 2020	7,343.84	0.24	2,21,875.08	23,423.18	1,45,974.93	60,950.71	4,52,224.14	4,59,567.98
Changes due to prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2020	7,343.84	0.24	2,21,875.08	23,423.18	1,45,974.93	60,950.71	4,52,224.14	4,59,567.98
Profit for the year	-	-	-	-	16,573.73	-	16,573.73	16,573.73
Transfer to general reserve	-	-	8,342.54	-	(8,342.54)	-	-	-
Lease Financial Liabilities	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	(163.87)	67,362.19	67,198.32	67,198.32
Total Comprehensive income for the year	-	-	8,342.54	-	8,067.32	67,362.19	83,772.05	83,772.05
Dividend	-	-	-	-	(5,874.95)	-	(5,874.95)	(5,874.95)
Dividend distribution tax	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	7,343.84	0.24	2,30,217.62	23,423.18	1,48,167.30	1,28,312.90	5,30,121.24	5,37,465.08
Changes due to prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2021	7,343.84	0.24	2,30,217.62	23,423.18	1,48,167.30	1,28,312.90	5,30,121.24	5,37,465.08
Profit for the year	-	-	-	-	55,976.33	-	55,976.33	55,976.33
Transfer to general reserve	-	-	-	-	-	-	-	-
Lease Financial Liabilities	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	(1,403.77)	3,767.07	2,363.30	2,363.30
Total Comprehensive income for the year	-	-	-	-	54,572.56	3,767.07	58,339.63	58,339.63
Dividend	-	-	-	-	(5,874.95)	-	(5,874.95)	(5,874.95)
Dividend distribution tax	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	7,343.84	0.24	2,30,217.62	23,423.18	1,96,864.91	1,32,079.97	5,82,585.92	5,89,929.76

As per our attached Report of even date.

For and on behalf of the Board

For **K. C. Mehta & Co.**
Chartered Accountants
Firm Reg. No. : 106237W

Harshad R. Patel, IAS
Managing Director
DIN No. : 08101424

Pankaj Kumar, IAS
Chairman
DIN No. : 00267528

Pritesh Amin
Partner
Membership No. 105926

Vinayak Kudtarkar
General Manager (Finance) &
Chief Financial Officer

S. S. Bhatt
Company Secretary &
Chief General Manager
(Legal & CC)

Place : Gandhinagar
Date : 24th May, 2022



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Notes forming part of the Financial Statements

1. GENERAL INFORMATION

Gujarat Alkalies and Chemicals Limited (“the Company” or “the Holding Company”) is a multi-product chemical manufacturing Company, having various products in its basket and is one of the leading manufacturer of Caustic Soda Lye.

The Company having CIN L24110GJ1973PLC002247 is a public limited company incorporated and domiciled in India and has its Registered Office at P. O. Ranoli – 391350, District Vadodara, Gujarat, India. The equity shares of the Company are listed on the BSE Limited and National Stock Exchange of India Limited.

The Group comprises of the Holding Company and one Joint Venture.

GACL-NALCO Alkalies and Chemicals Private Limited is a Joint Venture, having CIN U24100GJ2015PTC085247, incorporated and domiciled in India, having registered office at GACL Corporate Building, PO: Ranoli – 391350. The company is in process of setting up a greenfield project of 800 TPD caustic soda manufacturing plant along with a 2X65 MW coal-based cogeneration power plant at Dahej PCPIR region of Gujarat.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Statement of Compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 (the “Act”) read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act as amended from time to time.

2.2. Application of New Indian Accounting Standard

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 2022. The Company is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the financial statements.

Indian Accounting Standard (Ind AS) 103 – Business Combinations – Qualifications prescribed

for recognition of the identifiable assets acquired and liabilities assumed, as part of applying the acquisition method – should meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the ICAI at the acquisition date.

Modification to the exceptions to recognition principle relating to contingent liabilities and contingent assets acquired in a business combination at the acquisition date.

Indian Accounting Standard (Ind AS) 109 – Financial Instruments – Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities.

Indian Accounting Standard (Ind AS) 16 - Property, Plant and Equipment – Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.

Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent Liabilities and Contingent Assets – Modifications in application of recognition and measurement principles relating to onerous contracts.

2.3. Basis of Preparation of financial statements

The financial statements have been prepared, under the historical cost convention, on the accrual basis of accounting except for certain assets and liabilities which are measured at fair value/amortized cost/ present value at the end of each reporting period as explained in the accounting policies set out below. These accounting policies have been applied consistently over all the periods presented in these financials statements.

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

2.4. Principles of Consolidation

2.4.a. Gujarat Alkalies and Chemicals Limited together with its Joint Venture is referred to as “the Group”.

2.4.b. The financial statements of the Joint Venture used in the consolidation is drawn up to the same reporting date as that of the holding company.

2.4.c. Interest in Joint Venture is accounted for using equity method, after initially recognising at cost in the consolidated balance sheet.

2.4.d. Under equity method, investments are initially recognised at cost and adjusted thereafter to recognise the Group’s share of the post - acquisition

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

profit or loss of the investee in the statement of profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividend received or receivable from joint venture is recognised as a reduction in the carrying amount of investment.

2.4.e. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and appropriate adjustments are made to the financial statements of joint venture when they are used in preparing the consolidated financial statements that are presented in same manner as the holding company.

2.4.f. The Consolidated Financial Statement has been prepared in accordance with Ind AS-110 "Consolidated Financial Statement" and Ind AS-28 "Investment in Associates and Joint Venture".

2.4.g. The Consolidated Financial Statement includes result of 60% equity Joint Venture Company – GACL-NALCO Alkalies and Chemicals Private Limited.

2.4.h. The carrying amount of equity accounted investments are tested for impairment on reporting date.

2.5. Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements 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 judgements 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.

2.6. Revenue Recognition

2.6.a. Sale of Goods :

The Company derives Revenue primarily from sale of manufactured and traded products being "Chemicals".

Revenue from the sale of products is recognised on

satisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration the Company expects to receive in exchange of those products.

The performance obligation to transfer each distinct product consists of supplying the product to a named destination, handling charges and packing charges.

The Company accounts for discounts and incentives to customers as a reduction of revenue based on the proportionate allocation of the discounts / incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount / incentive. Also, when the level of discount varies with increase in level of revenue transactions, the Company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

The Company does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction price for the time value of money.

Sale of products excludes amounts of indirect taxes on sales.

2.6.b. Dividend and interest income :

Dividend income from investments is recognised when the shareholder's right to receive the payment has been established.

Interest income from a financial asset 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 time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.6.c. Other Operating Income and Other Income :

Revenue with respect to Other Operating Income and Other Income including insurance and other claims are recognised when a reasonable certainty as to its realisation exists.

2.7. Leasing

The Company as a Lessee:

The Company's lease asset class primarily consist

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

of leases for immovable properties. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if there is an explicit or implicit identified asset in the contract and Customer controls the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (1) the contract involves the use of an identified asset (2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized 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. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

ROU 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.

ROU 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.

The lease liability is initially measured at amortized

cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.8. Foreign Currencies

2.8.a. Functional Currency :

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to lakhs)

2.8.b. Transactions and translations :

In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration. 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 recognised in 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.

2.9. 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

time as the assets are substantially ready for their intended use or sale.

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

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent regarded as an adjustment to the interest costs. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.10. Employee Benefits

2.10.a. Short term 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, etc. and the expected cost of bonus, Ex-gratia, Leave Travel Allowance, Reimbursement of Medical Expenses, Personal Accident Policy, Deposit Linked Insurance Policy are recognised, undiscounted in the period in which the employee renders the related services.

2.10.b. Post-Employment Benefits :

2.10.b.1. Defined Contribution Plan :

The Company's contribution paid/payable during the year to Provident Fund, Superannuation Fund and other welfare funds are considered as defined contribution plans. The Contribution paid/ payable under these plans are recognised in the Statement of Profit and Loss during the period in which the employee renders the services. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

2.10.b.2. Defined Benefit Plans :

The Gratuity Scheme managed by Life Insurance Corporation of India through a Trust is considered as defined benefit plan. The present value of the obligation is determined based on actuarial valuation being carried out at each reporting date using the Projected Unit Credit Method.

Actuarial gains and losses are recognised immediately in other comprehensive income.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Past service cost is recognized immediately to the

extent that the benefits are already vested and otherwise it is amortized on straight-line basis over the remaining average period until the benefits become vested.

Interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

The defined retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by plan assets.

2.10.b.3. Long term Employee Benefits :

The obligation for long term employee benefits such as long term compensated absences, long service awards, etc. is recognised in the same manner as in the case of defined benefit plans as mentioned in (b) (ii) above except that the actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

2.11. Income Taxes

Income tax expense represents the sum of current tax and deferred tax.

2.11.a. 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 in accordance with applicable tax laws. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.11.b. Deferred Tax :

Deferred tax is recognised 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 recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credits to the extent that it is probable that taxable profits will be available against which these can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

difference arises from the initial recognition of goodwill.

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 recovered.

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 realised, 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.

2.11.c. Current and Deferred Tax for the Year:

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

2.12. Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of PPE comprises of its purchase price or its construction cost (net of applicable tax credit, trade discount and rebate if any), Exchange rate variations attributable to the assets and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management and initial estimate of decommissioning costs. Direct costs are capitalized until the asset is ready for use and includes borrowing cost capitalised in accordance with the Company's accounting policy.

Depreciation method, Estimated Useful lives and residual value

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of the assets are as follows:

Asset	Useful Life
Buildings	20-60 years
Plant and Equipment	10-40 Years
Office Equipment	3 years
Furniture and Fixtures	5-10 years
Vehicles	8-10 years

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The useful life as prescribed under Schedule II of the Companies Act, 2013 have been followed except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

- Remembraning of Membrane cell elements-4 years
- Recoating of Anode and Cathode membrane cell elements- 8 years
- Leasehold land and equipment is amortised over the duration of the lease.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under Other Non-Current Assets and the cost of the assets not ready for intended use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses which are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised. Assets to

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

2.13. Intangible Assets

Intangible Assets acquired separately:

Intangible assets with finite useful life acquired separately, are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Amortisation is recognised on a straight-line basis over their estimated useful lives from the date they are available for use. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Subsequent expenditures are capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised in the Statement of Profit and Loss when the asset is derecognised.

RESEARCH AND DEVELOPMENT

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognised as an expense when it is incurred.

Useful Lives of Intangible Assets :

Estimated Useful lives of the Intangible assets are as follows:

Intangible Asset	Useful Life
Capitalised Development	5 Years
Computer Software	8 Years

2.14. Impairment of Tangible and Intangible Assets other than Goodwill

Intangible assets and property, plant and equipment 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 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 to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.15. Inventories

Inventories are stated at the lower of cost and net realisable value after providing for obsolescence, if any. Net realisable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

Cost of inventories comprises of cost of purchase (net of recoverable taxes), cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Inventory cost formula is as under :

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Inventories	Basis of Valuation and Cost Formula
Raw material	Landed cost at weighted average basis
Raw Material (Goods in transit)	At Cost on Basic Price
Work in Progress	Raw material, labour and appropriate proportion of manufacturing expenses and overheads as per stage of completion at weighted average.
Finished Goods (Including in Transit)	Raw material, labour and appropriate proportion of manufacturing expenses and overheads at weighted average.
Stores, spares, packing materials	Landed Cost Weighted average basis

2.16. Provisions, Contingent Liabilities and Contingent Assets

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

The amount recognised 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). If the time value of money is material, Provisions are discounted using pre-tax discount rate and when discounting is used, increase in the provision with the passage of time is recognised as a finance cost in the statement of Profit and Loss account.

A contingent liability is (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or (b) a present obligation that arises from past events but is not recognised because (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation

or (ii) the amount of the obligation can not be measured with sufficient reliability.

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.

A contingent asset is a possible asset that arises from the past events and whose existence will be confirmed only by the occurrence or non- occurrence of one or more of uncertain future events not wholly within the control of the entity.

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

2.17. 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 and Measurement:

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Effective interest method

The effective interest method is a method of calculating the amortised 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.

Subsequent Measurement

2.17.a. Non-derivative financial instruments :

2.17.a.1. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2.17.a.2. Financial assets carried at amortised cost :

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

2.17.a.3. Financial assets at fair value through Other Comprehensive Income (FVTOCI) :

A financial asset is 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.

On derecognition of such Financial assets, cumulative gain or loss previously recognised in Other Comprehensive Income is not reclassified from the equity to statement of Profit and Loss.

2.17.a.4. Financial assets at fair value through profit or loss (FVTPL) :

A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.

2.17.a.5. Financial liabilities :

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Interest bearing issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

2.17.a.6. Derecognition of financial instruments :

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. On derecognition of Financial assets (except as mentioned in 2.17.a.3), the difference between the carrying amount and the consideration received is recognised in the statement

of Profit and Loss account. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.17.a.7. Offsetting Financial Instruments :

Financial assets and liabilities are offset and the net amount is presented in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.18. Share capital

Ordinary Shares :

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognized as a deduction from equity, net of any tax effects.

2.19. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, which gives highest priority to quoted prices in active markets and the lowest priority to unobservable inputs.

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Level 2 — Valuation techniques for inputs other than quoted prices included within Level 1 that are observable for the asset or Liability either directly or indirectly.

Level 3 — Valuation techniques for inputs that are unobservable for the asset or liability.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.20. Impairment of Financial Assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not measured at fair value 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 recognised as an impairment gain or loss in the statement of profit and loss.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the effective interest rate.

ECL are measured taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

For Trade receivables, the Company uses a provision matrix to measure lifetime ECL on its portion of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward looking estimates.

2.21. Earnings per share

Basic earnings per share is 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.

Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving the basic earnings per share and the weighted average

number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.22. Operating Segments

Operating segments are identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems. The Company operates in one reportable business segments i.e. "Chemicals".

2.23. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

2.24. Current/non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current if it satisfies any of the following conditions:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current if it satisfies any of the following conditions:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- is due to be settled within twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash Equivalents. The Company has identified twelve months as its operating cycle.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2.25. Non-Current Assets held for Sale

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

The Company classifies Non-Current Assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

2.26. Critical accounting judgements, assumptions and Key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of

assets or liabilities affected in future periods.

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 within the next financial year, are in respect of useful lives of Property, Plant and Equipment, impairment, employee benefit obligations, provisions, provision for income tax, measurement of deferred tax assets and contingent assets & liabilities, Stores & Spares Written off.

2.26.a. Critical judgments in applying accounting policies

The following are the critical judgements, apart from those involving estimations (Refer Note 2.26.b), that the Management have made in the process of applying the Company's accounting policies and that have the significant effect on the amounts recognized in the Financial Statements.

2.26.a.1. Determining whether an arrangement contain leases and classification of leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

2.26.b. Key sources of estimates and assumptions

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

2.26.b.1. Defined benefit obligation (DBO)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations being carried out at reporting date. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, Salary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

escalation rate, expected rate of return on asset and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

2.26.b.2. Contingent Liabilities and Assets

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

2.26.b.3. Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

2.26.b.4. Impairment of non-financial assets

Evaluation for impairment requires use of judgment, estimates and assumptions.

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

The Company assesses at each reporting date

whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

2.26.b.5. Income taxes:

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

2.26.b.6. Recognition of Deferred tax assets:

Deferred Tax Assets (DTA) are recognized for the unused tax losses/ credits to the extent that it is probable that taxable profit will be available against which the losses will be utilized. Management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.26.b.7. Useful lives and residual value of property, plant and equipment:

The Company reviews the useful life and residual value of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.26.b.8. Dismantling cost of property, plant and equipment:

The company estimates assets retirement obligation on estimate basis for property, plant and equipment. Estimation is done by the management considering

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

size of the asset and its useful life in line with industry practices.

2.26.b.9. Stores and spares inventories:

The Company's manufacturing process is continuous and highly mechanic with wide range of different types of plant and machineries. The Company keeps stores and spares as standby to continue the operations without any disruption. Considering wide range of stores and spares and long lead time for procurement of it and based on criticality

of spares, the Company believes that net realizable value would be more than cost.

2.26.b.10. Fair value of investments:

The Company has invested in the equity instruments of various companies. The valuation exercise of unquoted equity instruments carried out by the Company with the help of an independent valuer, etc. has estimated fair value at each reporting period based on available historical annual reports and other information in the public domain.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Carrying Amounts of :		
Land Freehold	102.75	102.75
Buildings	24,317.42	16,811.07
Plant and equipment	2,34,223.00	2,31,581.76
Plant and equipment under Finance Lease	370.54	384.01
Computer Equipments	529.15	621.31
Furniture and Fixture	626.94	558.32
Vehicles	56.99	61.74
	2,60,226.79	2,50,120.96
Right of use asset	9,493.11	8,031.94
	9,493.11	8,031.94
	2,69,719.90	2,58,152.90
Capital Work-In-Progress	1,78,735.04	1,10,941.76
	1,78,735.04	1,10,941.76
Total	4,48,454.94	3,69,094.66

[Rs. in Lakhs]

Fixed Assets	Land Freehold	Right of Use Assets (Ref. Note No.3.1)	Buildings	Plant & Equipment	Plant & Equipment Under Lease	Computer Equipments	Furniture & Fixture	Vehicles	Recoating/ Remem-braning	Total
Gross Carrying Amount										
As at April 1, 2020	102.75	8,665.02	18,022.63	2,89,046.54	463.70	1,057.64	749.07	187.92	7,059.01	3,25,354.28
Additions	-	-	2,681.30	12,270.03	-	467.89	308.18	26.04	-	15,753.44
Adjustment	-	-	-	-	-	-	-	-	-	-
Deductions	-	-	(53.46)	(596.83)	(1.29)	(211.47)	-	(6.55)	-	(869.60)
Effect of foreign Exchange difference	-	-	-	(291.15)	-	-	-	-	-	(291.15)
As at March 31, 2021	102.75	8,665.02	20,650.47	3,00,428.59	462.41	1,314.06	1,057.25	207.41	7,059.01	3,39,946.97
Additions	-	1,731.35	9,907.64	19,408.00	-	90.65	46.59	9.13	-	31,193.36
Adjustment	-	-	(1,096.10)	948.98	-	-	147.12	-	-	-
Deductions	-	-	-	(482.53)	(0.40)	(86.35)	(1.06)	-	-	(570.34)
Effect of foreign Exchange difference	-	-	-	199.23	-	-	-	-	-	199.23
As at March 31, 2022	102.75	10,396.37	29,462.01	3,20,502.27	462.01	1,318.36	1,249.90	216.54	7,059.01	3,70,769.22

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS (Contd.)

[Rs. in Lakhs]

Fixed Assets	Land Freehold	Right of Use Assets (Ref. Note No.3.1)	Buildings	Plant & Equipment	Plant & Equipment Under Lease	Computer Equipments	Furniture & Fixture	Vehicles	Recoating/ Remem-braning	Total
Depreciation, Amortisation & Impairment										
As at April 1, 2020	-	375.35	2,901.17	54,545.89	65.33	740.66	406.37	137.75	5,778.56	64,951.08
Depreciation for the year	-	257.73	947.29	15,314.90	13.07	152.87	92.56	13.80	537.77	17,329.99
Adjustment	-	-	-	(156.14)	-	-	-	-	-	(156.14)
Deductions	-	-	(9.06)	(115.14)	-	(200.78)	-	(5.88)	-	(330.86)
Effect of foreign exchange difference	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	-	633.08	3,839.40	69,589.51	78.40	692.75	498.93	145.67	6,316.33	81,794.07
Depreciation for the year	-	270.18	1,372.83	17,450.51	13.07	174.81	115.83	13.88	263.04	19,674.15
Adjustment	-	-	(67.64)	58.70	-	-	8.94	-	-	0.00
Deductions	-	-	-	(339.81)	-	(78.35)	(0.74)	-	-	(418.90)
As at March 31, 2022	-	903.26	5,144.59	86,758.91	91.47	789.21	622.96	159.55	6,579.37	1,01,049.32
Net Carrying amount										
As at March 31, 2022	102.75	9,493.11	24,317.42	2,33,743.36	370.54	529.15	626.94	56.99	479.64	2,69,719.90
As at March 31, 2021	102.75	8,031.94	16,811.07	2,30,839.08	384.01	621.31	558.32	61.74	742.68	2,58,152.90

AGEING AND COMPLETION SCHEDULE OF CAPITAL WORK IN PROGRESS

Ageing Schedule

[Rs. in Lakhs]

CWIP	F. Y. 2021-22					F. Y. 2020-21				
	Amount of CWIP for a period of					Amount of CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Project in Progress	82,140.61	66,497.80	20,327.69	9,701.30	1,78,667.40	73,051.86	22,628.71	10,702.41	4,518.77	1,10,901.75
(ii) Projects temporarily suspended	-	37.52	23.79	6.33	67.64	9.89	23.79	6.33	-	40.01
Total	82,140.61	66,535.32	20,351.48	9,707.63	1,78,735.04	73,061.75	22,652.50	10,708.74	4,518.77	1,10,941.76

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS (Contd.)

Completion Schedule

(whose completion is overdue or has exceeded its cost compared to its original plan)

[Rs. in Lakhs]

CWIP	F. Y. 2021-22				F. Y. 2020-21			
	To be completed in				To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in Progress								
(i) CSL-18, Vadodara	1,440.61	-	-	-	3,273.69	-	-	-
(ii) Caustic Soda Expansion	39,171.90	-	-	-	9,598.78	-	-	-
(iii) 65 MW Coal Power-D-II/9	-	-	-	-	65.01	-	-	-
(iv) 33870 TPA Phosphoric Acid Plant, Dahej	27,703.60	-	-	-	8,034.78	-	-	-
(v) 10000 TPA Hydrazine Hydrate Plant At Dahej	30,390.84	-	-	-	18,563.98	-	-	-
(vi) 105,000 TPA Chloromethanes Project, Dahej	74,408.75	-	-	-	60,104.46	-	-	-
(vii) Others	5,551.70	-	-	-	11,261.05	-	-	-
Sub Total	1,78,667.40	-	-	-	1,10,901.75	-	-	-
Projects temporarily suspended								
Chloro Toluene Plant	40.01	-	-	-	40.01	-	-	-
65 MW Coal Power-D-II/9	27.63	-	-	-	-	-	-	-
Sub Total	67.64	-	-	-	40.01	-	-	-
Total	1,78,735.04	-	-	-	1,10,941.76	-	-	-

Note :- These projects were earlier schedule to be completed in the financial year 2021-22, however due to adverse impact of COVID-19 pandemic, the completion is delayed and is expected during the financial year 2022-23, with no cost overrun.

Projects Temporarily Suspended :

- Chloro Toluene This has been put under hold as tolling agents to run their plant, which would meet our requirement and the same is being reported to the board under the agenda items providing status of various projects.
- 65 MW Coal Based Power Plant This has been put under hold because of EPC Contract Finalization is pending in view of higher cost of Coal Based Power Plant.

3.1 Right of Use Assets amortised during Financial Year 2021-22 of Rs. 270.18 lakhs (Ref. Note 2.7).

3.2 Borrowing Cost capitalised during the year Rs. 715.14 Lakhs (Previous Year: Rs. 23.57 Lakhs) for acquisition of Long Term Assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 OTHER INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Carrying Amounts of:		
Computer Software	444.85	532.88
	444.85	532.88

Other Intangible Assets	Computer Software
Cost	
As at April 1, 2020	805.41
Additions	58.88
As at March 31, 2021	864.29
Additions	16.21
As at March 31, 2022	880.50
Accumulated amortisation and impairment	
As at April 1, 2020	225.34
Amortisation expense	106.07
As at March 31, 2021	331.41
Amortisation expense	104.24
As at March 31, 2022	435.65
Net Block	
As at March 31, 2022	444.85
As at March 31, 2021	532.88

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 INVESTMENT IN JOINT VENTURE

[Rs. in Lakhs]

Particulars	Nos.	Face Value Rs.	As at 31.03.2022	Nos.	As at 31.03.2021
Unquoted Investments (all fully paid) :					
Investment in fully paid Equity Shares of GACL-NALCO Alkalies & Chemicals Pvt. Ltd.	41,40,00,000	10	40,884.49	41,40,00,000	41,106.22
GRAND TOTAL			40,884.49		41,106.22

Details and financial information of joint venture

Name of Joint Venture	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the Company	
			As at 31.03.2022	As at 31.03.2021
GACL-NALCO Alkalies & Chemicals Pvt. Ltd.	Manufacture and Sale of Chlor-Alkali Products	India	60%	60%

For Critical judgements Refer Note-2.26

Summarised financial information in respect of Joint Venture :

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Non-Current Liabilities	1,52,951.75	1,06,987.73
Current Liabilities	11,627.70	14,860.14
Non-Current Assets	2,03,664.10	1,75,648.15
Current Assets	29,056.17	14,710.10
Net Assets	68,140.82	68,510.38
Proportion of the Group's ownership interest in the joint venture	60%	60%
Carrying amount of the Group's interest in the joint venture	40,884.49	41,106.22
The above amounts of Assets and Liabilities include the following :		
Cash and Cash equivalents	24,484.73	9,506.55
Current Financial Liabilities (excluding Trade Payables and Provisions)	11,412.69	13,383.40
Non-Current Financial Liabilities (excluding Trade Payables and Provisions)	1,52,951.75	1,06,987.73

[Rs. in Lakhs]

Particulars	For the Year Ended	
	31.03.2022	31.03.2021
Revenue	62.05	59.17
Profit/(Loss) from continuing operations	(369.56)	(185.58)
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	(369.56)	(185.58)
The above profit/(loss) for the year include the following :		
Depreciation and Amortisation	86.77	18.61
Interest Income	18.73	33.40
Income Tax Expense/(Income)	-	15.38

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 OTHER INVESTMENTS

[Rs. in Lakhs]

Particulars	Face Value Rs.	As at 31.03.2022		As at 31.03.2021	
		Quantity	Amount	Quantity	Amount
Non - Current :					
1 Investment in Equity Instruments (Quoted) - FVTOCI :					
a Gujarat Industries Power Company Limited	10	2,30,88,980	16,958.86	2,30,88,980	17,489.90
b Gujarat State Fertilizers and Chemicals Limited	2	75,00,000	12,153.75	75,00,000	6,097.50
c Gujarat Lease Financing Limited	10	2,50,000	7.62	2,50,000	6.25
d Gujarat Gas Limited	2	2,13,15,785	1,07,271.69	2,13,15,785	1,17,119.58
Total - 1 (Quoted)			1,36,391.92		1,40,713.23
2 Investment in Equity Instruments (Unquoted) - FVTOCI :					
a Gujarat Data Electronics Limited	10	40,000	4.00	40,000	4.00
Less :- Provision for Diminution in the value of Investment			(4.00)		(4.00)
			-		-
b Gujarat Venture Finance Limited	10	1,80,000	496.80	1,80,000	345.80
c Gujarat Guardian Limited	10	74,25,000	7,870.50	74,25,000	6,482.03
d Gujarat State Petroleum Corporation Limited	1	2,15,43,200	2,408.53	2,15,43,200	2,126.31
e Gujarat Chemical Port Limited (Formerly Gujarat Chemical Port Terminal Limited)	1	6,13,90,000	20,258.70	6,13,90,000	12,885.76
f Vadodara Enviro Channel Limited	10	7,151	344.68	7,151	408.22
g Gujarat State Electricity Corporation Limited	10	1	0.00	1	0.00
h Vadodara Jal Sanchay Private Limited	10	3,00,000	30.00	3,00,000	30.00
Total - 2 (Unquoted)			31,409.21		22,278.12
GRAND TOTAL			1,67,801.13		1,62,991.35
Current :					
(A) Investment in Equity Instruments (Quoted) - FVTPL :					
1 IDBI Bank Ltd.	10	3,18,800	136.45	3,18,800	122.90
Total - A			136.45		122.90
(B) Investment in Government Securities (Unquoted) :					
Investment In Govt. Securities (FVTPL)			1,059.80		1,556.67
Six Year National Saving Certificate (Pledged for renewal licence)- amortised cost			0.20		0.20
Total - B			1,060.00		1,556.87
(C) Investment in Pvt. Bond Securities (Unquoted) - FVTPL			1,064.53		3,450.80
(D) Investment in Mutual Fund Securities (Unquoted) - FVTPL			12.32		12.32
GRAND TOTAL			2,273.30		5,142.89
Aggregate Carrying Value of current quoted investments			136.45		122.90
Aggregate Carrying Value of non-current quoted investments			1,36,391.92		1,40,713.23
Total Aggregate Carrying Value of quoted investments			1,36,528.37		1,40,836.13
Aggregate Market Value of current quoted investments			136.45		122.90
Aggregate Market Value of non-current quoted investments			1,36,391.92		1,40,713.23
Total Aggregate Market Value of quoted investments			1,36,528.37		1,40,836.13
Aggregate Carrying Value of current unquoted investments			2,136.65		5,019.79
Aggregate Carrying Value of non-current unquoted investments			31,409.21		22,278.12
Total Aggregate Carrying Value of unquoted investments			33,545.86		27,297.91
Aggregate amount of impairment in value of Investments			4.00		4.00
Category-wise other Investments - as per Ind AS 109 classification :-					
Financial assets carried at fair value through profit or loss (FVTPL)			2,273.10		5,142.69
Financial assets carried at amortised cost (Govt. Securities)			0.20		0.20
Financial assets measured at fair value through other comprehensive income (FVTOCI) (Equity Instruments)			1,67,801.13		1,62,991.35

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7 LOANS

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
LOANS RECEIVABLE :		
Non-Current :		
Unsecured - Considered Good :		
Loans to Employees	58.18	88.54
Loans to Officers	12.69	5.58
Total :	70.87	94.12
Current :		
Unsecured - Considered Good :		
Inter Corporate Deposit with Gujarat State Financial Services Ltd. (Related party - Refer Note-38)	5,000.00	7,500.00
Loans to Employees	117.51	147.16
Loans to Officers	4.30	3.48
Total :	5,121.81	7,650.64

Loans or advances to specified person :

- (a) repayable on demand; or
 (b) without specifying any terms or period of repayment

[Rs. in Lakhs]

Type of Borrower	As at 31.03.2022		As at 31.03.2021	
	Amount of Loan or Advance in Nature of loan Outstanding (Rs.)	Percentage to the total Loans and Advances in the Nature of Loans	Amount of Loan or Advance in Nature of loan Outstanding (Rs.)	Percentage to the total Loans and Advances in the Nature of Loans
Related Parties	5,000.00	96.29	7,500.00	96.84

8 OTHER FINANCIAL ASSETS

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Non - Current :		
Unsecured - Considered Good :		
Security Deposits	2,468.93	2,361.86
Total :	2,468.93	2,361.86
Current :		
Unsecured - Considered Good :		
Security Deposits	347.24	346.24
Amount receivable for Wind Farm Credit	824.29	1,285.15
Interest receivable	388.30	677.24
Total :	1,559.83	2,308.63

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 NON-CURRENT TAX ASSETS (NET)

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Tax Assets (Net)	17,164.13	10,824.20
Total:	17,164.13	10,824.20

CURRENT TAX LIABILITIES (NET)

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Tax Liabilities (Net)	2,068.44	2,068.44
Total:	2,068.44	2,068.44

10 OTHER ASSETS

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Non - Current :		
Unsecured - Considered Good :		
Capital Advances (Refer Note No. 10.1)	9,746.84	17,971.76
Balance with Excise & Customs (Refer Note No. 10.2)	1,257.55	1,257.55
Prepaid Long Term Employee Benefits (Gratuity) (Ref. Note No. 36)	-	305.04
Prepaid Expenses	16.65	20.80
Other Loans and Advances	27.77	27.77
Total :	11,048.81	19,582.92
Current :		
Unsecured - Considered Good :		
Prepaid Current Employee Benefits (Gratuity) (Ref. Note No. 36)	-	66.11
Advance to suppliers	4,171.37	3,890.50
Export Incentive Receivable	84.81	182.39
Balance with Excise & Customs	-	19.00
Prepaid Expenses	69.54	92.70
Indirect Taxes Receivable	561.49	2,187.81
Other Loans and Advances	21.51	150.15
Total :	4,908.72	6,588.66

- 10.1 Capital Advances includes advance payment made for leasehold lands allotted pending execution of lease deeds :
- Rs. Nil (FY 2020-21 Rs. 1,732.59 lakhs) towards plot No. D-III/3 in exchange of Plot No. 42/1 at Dahej admeasuring 5,16,548 sq. mtrs.
 - Rs. 923.08 lakhs (FY 2020-21 Rs. 923.08 lakhs) towards plot No. B-37 to B-44 at village Atali admeasuring 50,714.48 sq. mtrs.
- 10.2 In the Financial Year 2012-13, the Company received a demand of Rs. 1,719.66 lakhs from the revenue authorities for excise duty, interest and penalty thereon. The same has been shown as provision for other liabilities under Non-Current Provisions (Note no. 19). The Company has contested the demand and has paid under protest Rs.924.23 lakhs and Rs.333.32 lakhs (Total Rs.1,257.55 lakhs) during 2012-13 and 2013-14 respectively. As the matter is pending with Honourable High Court, the amount paid has been shown under Balance with Excise and customs' under Other Non-Current Assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11 INVENTORIES

[At lower of Cost and Net Realisable Value]

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Raw Materials and Components	7,848.14	7,000.09
Goods-in-Transit	8,992.84	1,005.58
	16,840.98	8,005.67
(b) Work-in-Progress	2,526.51	1,510.21
(c) Finished Goods	3,063.59	3,869.23
Goods-in-Transit	180.21	84.53
	3,243.80	3,953.76
(d) Stores and Spares	12,221.98	8,693.01
Goods-in-Transit	8.54	16.51
	12,230.52	8,709.52
(e) Others :		
Packing Materials	409.63	350.29
Building Materials	19.55	23.29
Others	42.70	19.51
	471.88	393.09
Total :	35,313.69	22,572.25

12 TRADE RECEIVABLES

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Current :		
(a) Secured, considered good (Refer Note No. 37.7)	5,275.36	4,792.44
(b) Unsecured, Considered good	27,083.87	26,154.68
(c) Which have significant increase in Credit Risk	-	-
(d) Credit Impaired (Refer Note No. 12.1)	1,322.42	1,335.42
	33,681.65	32,282.54
Less : Allowance for expected credit losses	3,417.46	3,385.53
Total :	30,264.19	28,897.01

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 TRADE RECEIVABLES (Contd.)

12.1 Trade Receivables include overdue outstanding from various parties aggregating to Rs.1,322.42 lakhs, (Previous Year Rs.1,335.42 lakhs), for which the Company has taken legal steps for recovery of the outstanding dues and the management is hopeful of the recovery. However, cumulative provision of Rs. 1,322.42 lakhs (Previous Year Rs.1,335.42 lakhs) exists for such doubtful debts as on 31.03.2022.

The average credit period on sale of goods is 31 days. However, no interest is charged on Trade Receivables for delay in payment beyond 31 days from the date of the Invoice.

The credit limits for customers are set based on security deposits and bank guarantees. Limits attributed to customers are reviewed periodically.

The Company has used a practical expedient by computing the expected credit loss allowance for Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates are given in the provision matrix. The provision matrix at the end of the Reporting Period is as follows. :

Ageing :	Expected Credit Loss	
Particulars	As at 31.03.2022	
Within the Credit Period	0.98%	
1-60 days past due	16.23%	
61-180 days past due	40.02%	
181-2 years past due	48.68%	
2-5 years past due	100.00%	
Above 5 years past due	100.00%	

Age of Receivables :	[Rs. in Lakhs]	
Particulars	As at 31.03.2022	As at 31.03.2021
Within the Credit Period	27,918.89	25,868.02
1-60 days past due	2,142.00	2,834.03
61-180 days past due	335.99	333.60
181-2 years past due	1,214.15	1,513.68
2-5 years past due	644.47	375.21
Above 5 years past due	1,426.15	1,358.00
Total :	33,681.65	32,282.54

Movement in Expected Credit Loss Allowance :	[Rs. in Lakhs]	
Particulars	As at 31.03.2022	As at 31.03.2021
Balance at beginning of the year	3,385.53	3,043.42
Movement in Expected Credit Loss Allowance on trade receivables calculated at lifetime expected credit losses	31.93	342.11
Balance at end of the year	3,417.46	3,385.53

The Concentration of Credit Risk is limited due to the fact that the customer base is large and unrelated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 TRADE RECEIVABLES (Contd.)

At March 31, 2022 and March 31, 2021, the major customers (top five) accounted for the following amounts of the Company's Trade Receivables :

Sr. No.	Dealer Name	Balance as at 31.03.2022		Balance as at 31.03.2021	
		Amount (Rs.)	% to Total Debtors	Amount (Rs.)	% to Total Debtors
1	Dealer-A	7,320.00	21.73	4,187.21	12.97
2	Dealer-B	877.00	2.60	4,647.13	14.40
3	Dealer-C	215.00	0.64	1,541.81	4.78
4	Dealer-D	138.00	0.41	64.29	0.20
5	Dealer-E	337.00	1.00	2,536.95	7.86
	Total (1 TO 5)	8,887.00	26.38	12,977.39	40.21
	Total Trade Receivable-GACL	33,681.65	100.00	32,282.54	100.00

[Rs. in Lakhs]

AGEING SCHEDULE OF TRADE RECEIVABLES FOR THE F. Y. 2021-22

Particulars	Outstanding for following periods from due date of payment						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	27,918.89	2,477.99	373.49	840.66	370.81	377.39	32,359.23
(ii) Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	1,322.42	1,322.42
Less : Expected Credit Loss allowance							3,417.46
As at 31st March, 2022							30,264.19

AGEING SCHEDULE OF TRADE RECEIVABLES FOR THE F. Y. 2020-21

Particulars	Outstanding for following periods from due date of payment						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	25,868.02	3,167.63	836.57	677.11	220.16	177.63	30,947.12
(ii) Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	1,335.42	1,335.42
Less : Expected Credit Loss allowance							3,385.53
As at 31st March, 2021							28,897.01

13 CASH AND CASH EQUIVALENTS

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Cash and Cash Equivalents :		
Balances with Banks :		
Current Account	4,767.67	2,517.60
Cash on hand	3.47	3.20
Others :		
Stamps on hand	0.14	0.14
Deposit with Gujarat State Financial Services Ltd.	25,000.00	33,000.00
Total :	29,771.28	35,520.94

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14 OTHER BALANCES WITH BANKS

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Other Bank Balances consist of the following:		
Fixed Deposits with Banks	0.10	-
Unpaid Dividend (Refer Note No. 14.1)	191.02	176.97
Total :	191.12	176.97

14.1 During the year, the Company has transferred Rs. 16.33 lakhs (Previous Year Rs.13.93 lakhs for FY 2012-13) to Investor Education & Protection Fund for FY 2013-14.

15 SHARE CAPITAL

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Equity Share Capital		
(a) Authorised share capital :		
10,00,00,000 Equity Shares of Rs. 10/- each	10,000.00	10,000.00
50,00,000 Redeemable Cumulative Preference Shares of Rs.100/- each	5,000.00	5,000.00
	15,000.00	15,000.00
(b) Issued :		
7,34,39,875 Equity Shares of Rs.10/- each (As at March 31, 2021 :7,34,39,875)	7,343.99	7,343.99
(c) Less : Subscribed & Not Fully Paid-up (forefeited) :		
2,947 Equity Shares of Rs.10/- each (As at March 31, 2021 : 2,947)	0.15	0.15
(d) Subscribed & Fully Paid-up :		
7,34,36,928 Equity Shares of Rs.10/- each (As at March 31, 2021 : 7,34,36,928) (b - c)	7,343.84	7,343.84
Total	7,343.84	7,343.84

(i) Reconciliation of the number of equity shares :

Particulars	As at 31.03.2022		As at 31.03.2021	
	Number	(Rs. in Lakhs)	Number	(Rs. in Lakhs)
Shares outstanding at the beginning of the period	7,34,36,928	7,343.84	7,34,36,928	7,343.84
Shares outstanding at the end of the period	7,34,36,928	7,343.84	7,34,36,928	7,343.84

(ii) Rights, preferences and restrictions attached to equity shares :

The Company has one class of equity shares having a par value of Rs.10/- each. Each Shareholder is eligible for one vote per one share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15 SHARE CAPITAL (Contd.)

(iii) Details of shares held by each shareholder holding more than 5% equity shares :

Sr. No.	Name of Shareholder	As at 31.03.2022		As at 31.03.2021	
		No. of shares held	% of shares held	No. of shares held	% of shares held
1	Lok Prakashan Ltd.	1,62,15,732	22.08	1,62,15,732	22.08
2	Gujarat State Investment Ltd.	1,53,29,373	20.87	1,53,29,373	20.87
3	Gujarat Industrial Investment Corporation Limited	71,19,028	9.69	71,19,028	9.69
4	Gujarat Mineral Development Corporation Ltd.	41,45,433	5.64	41,45,433	5.64

(iv) Details of Shares held by Promoters :

Sr. No.	Promoters Name	As at 31.03.2022		As at 31.03.2021		% Change during the year
		No. of shares	% of Total shares	No. of shares	% of Total shares	
1	Gujarat Industrial Investment Corporation Limited	71,19,028	9.69	71,19,028	9.69	-
2	Gujarat Mineral Development Corporation Ltd	41,45,433	5.64	41,45,433	5.64	-
3	Gujarat Narmada Valley Fertilizers And Chemicals Limited	17,59,996	2.40	17,59,996	2.40	-
4	Gujarat State Investments Limited	1,53,29,373	20.87	1,53,29,373	20.87	-
5	Gujarat Maritime Board	27,34,719	3.72	27,34,719	3.72	-
6	Gujarat Industrial Development Corporation	28,97,740	3.95	28,97,740	3.95	-
7	Governor of Gujarat	21	-	21	-	-

(v) Dividend :

For current financial year 2021-22, The Company has proposed dividend of Rs. 10.00 per equity share (Previous year Rs. 8.00 per share declared). Proposed dividends on equity share are subject to approval at the Annual General Meeting and are not recognised as a liability as at Balance Sheet date.

16 OTHER EQUITY

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
a. General Reserve	2,30,217.62	2,30,217.62
b. Securities Premium	23,423.18	23,423.18
c. Capital Reserve	0.24	0.24
d. Reserve for equity instruments through other comprehensive income	1,32,079.97	1,28,312.90
e. Retained Earnings	1,96,864.91	1,48,167.30
Total :	5,82,585.92	5,30,121.24

a. General Reserve

The General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purpose. As General Reserve is created by a transfer from one component of Equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to profit or loss.

b. Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

c. Reserve for equity instruments through other comprehensive income

The reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17 BORROWINGS

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Non-Current :		
Secured - at amortised cost :		
Term Loans from Banks :		
External Commercial Borrowing from ICICI Bank (Refer Note No.17.1)	2,979.76	4,799.94
External Commercial Borrowing from HSBC Bank (Refer Note No.17.2)	-	2,156.57
External Commercial Borrowing from State Bank of India (Refer Note No.17.3)	51,916.46	36,374.17
Total :	54,896.22	43,330.68

The terms of repayment of borrowings are stated below:

- 17.1 The Loan is secured by plant and machinery of 14.7 MW Wind Farm Project at Dist. Porbandar, Gujarat, 915 nos. Cell Elements at Ranoli Dist. Vadodara, Gujarat and 440 nos. Cell Elements at Dahej, Dist. Bharuch, Gujarat. It has to be repaid in 15 equal half yearly installments from 10.09.2017 and carries interest rate of LIBOR plus 1.64% p.a.
- 17.2 The Loan is secured by plant and machinery of 31 MW Wind Farm Project at Dist. Rajkot & Kachchh, Gujarat and Potassium Hydroxide Plant at Ranoli, Dist. Vadodara, Gujarat. It has to be repaid in 10 equal half yearly installments from 07.01.2018 and carries interest rate of LIBOR plus 1.80% p.a.
- 17.3 The loan is secured by plant and machinery of Chloromethanes Plant at Plot No. D-II/9 P. O. Dahej, Tal. Vagra, Dist. Bharuch, Gujarat. It has to be repaid in 10 equal half yearly installments from 17.09.2023 and carries interest rate of LIBOR plus 1.28% p.a.

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Current :		
Secured		
Loans repayable on demand from Banks (Refer Note No. 17.4)	150.26	25.21
Current maturities of long term secured debts (Refer Note No. 17.5)	4,287.19	6,336.20
Total :	4,437.45	6,361.41

Borrowings obtained on the basis of security of current assets

[Rs. in Lakhs]

Quarter	Name of Bank	Particular of Securities Provided	Amount as per Book of account	Amount Reported in the Quarterly Return / Statement	Amount of difference	Reason for material discrepancies
F. Y. 2021-22						
Jun-21	SBI, AXIS, IDBI, HDFC BANK, INDIAN BANK, CENTRAL BANK, UCO BANK	Inventory (i.e. Raw-Material (excluding in transits and consumables), Raw-material (semi finished) , Finished goods, Stores & Spares, Packing Material)	21,616.90	21,616.90	Nil	-
Sep-21			23,775.30	23,775.30	Nil	-
Dec-21			23,478.02	23,478.02	Nil	-
Mar-22			24,830.38	24,830.38	Nil	-
F. Y. 2020-21						
Jun-20	SBI, AXIS, IDBI, HDFC BANK, INDIAN BANK, CENTRAL BANK, UCO BANK	Inventory (i.e. Raw-Material (excluding in transits and consumables), Raw-material (semi finished) , Finished goods, Stores & Spares, Packing Material)	19,483.74	19,483.74	Nil	-
Sep-20			18,393.09	18,393.09	Nil	-
Dec-20			18,625.92	18,625.92	Nil	-
Mar-21			20,828.68	20,828.68	Nil	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17 BORROWINGS (Contd.)

17.4 The Company has working capital facilities with various Banks carrying interest rate ranging from 7.10% p.a. to 7.30% p.a. These facilities are secured by first charge by hypothecation of stocks and book debts and second charge over the immovable assets of the Company.

17.5 Represents repayment falling due in next twelve months :

- (i) Rs. 2,266.06 lakhs to HSBC Bank towards ECB loan secured against 0.75 times of the facility amount at all times over all the movable assets relating to 31 MW Windmills phase - VIII & IX located at Rajkot and Kutch districts, Gujarat and 0.50 times of facility amount at all times over all the movable assets relating to existing Potassium Hydroxide Plant at Ranoli, Dist. Vadodara, Gujarat including future expansion carrying interest rate of LIBOR plus 1.80% p.a.
- (ii) Rs. 2,021.13 lakhs to ICICI Bank towards ECB loan secured against plant and machinery of 14.70 MW Windmills phase-X located at Porbandar district, Gujarat, 915 nos. Cell Elements at Ranoli, Dist. Vadodara, Gujarat and 440 nos. Cell Elements at Dahej, Dist. Bharuch, Gujarat carrying interest rate of LIBOR plus 1.64% p.a.

18 LEASE LIABILITIES

Particulars	[Rs. in Lakhs]	
	As at 31.03.2022	As at 31.03.2021
Non - current :		
Lease Liabilities	67.24	68.12
Total :	67.24	68.12
Current :		
Lease Liabilities	6.11	6.19
Total :	6.11	6.19

19 PROVISIONS

Particulars	[Rs. in Lakhs]	
	As at 31.03.2022	As at 31.03.2021
Non - current :		
(A) Provision for Employees' Benefits		
(i) Gratuity (Ref. Note No. 36)	1,754.20	-
(ii) Compensated Absences (Ref. Note No. 36)	9,267.36	7,518.54
(iii) Long Service Award	92.33	83.71
(B) Provision for Other Liabilities (Ref. Note No. 19.1)	1,719.66	1,719.66
(C) Asset Retirement Obligations (Refer Note No. 19.2)	2,067.97	1,930.66
Total :	14,901.52	11,252.57
Current :		
(A) Provision for Employees' Benefits		
(i) Gratuity (Ref. Note No. 36)	300.22	-
(ii) Compensated Absences (Ref. Note No. 36)	1,384.59	1,211.24
(iii) Long Service Award	78.30	72.64
Total :	1,763.11	1,283.88

19.1 In the earlier Financial Year 2012-13, the Company received a demand of Rs. 1,719.66 lakhs from the revenue authorities for excise duty, interest and penalty thereon - Refer Note 10.2.

19.2 Movement of asset retirement obligation :

[Rs. in Lakhs]

Particulars	2021-22	2020-21
Balance at the beginning of the year	1,930.66	1,796.54
Add : Unwinding of discount	137.31	134.12
Balance at the end of the year	2,067.97	1,930.66

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20 DEFERRED TAX LIABILITIES (NET)

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Tax assets	(6,738.18)	(6,782.01)
Deferred Tax liabilities	71,176.58	68,968.36
Deferred Tax Liabilities (Net)	64,438.40	62,186.35

2021-2022:

[Rs. in Lakhs]

Deferred tax liabilities / (assets) in relation to:	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Reclassified from equity to profit or loss	MAT Credit Set off (Entitlement)	Adjustment	Closing Balance
Property, Plant and Equipment	55,910.81	1,165.51	-	-	-	-	-	57,076.32
Employee Benefits	(979.58)	-	(754.02)	-	-	-	-	(1,733.60)
Investments	13,057.55	-	1,042.71	-	-	-	-	14,100.26
Disallowances / Allowances	(3,382.63)	(1,621.95)	-	-	-	-	-	(5,004.58)
MAT Credit (Entitlement) / Utilisation	(2,419.80)	-	-	-	-	2,212.03	207.77	-
Total :	62,186.35	(456.44)	288.69	-	-	2,212.03	207.77	64,438.40

2020-2021:

[Rs. in Lakhs]

Deferred tax liabilities / (assets) in relation to:	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Reclassified from equity to profit or loss	MAT Credit Set off (Entitlement)	Adjustment	Closing Balance
Property, Plant and Equipment	53,660.38	2,250.43	-	-	-	-	-	55,910.81
Employee Benefits	(891.56)	-	(88.02)	-	-	-	-	(979.58)
Investments	5,810.69	-	7,246.86	-	-	-	-	13,057.55
Disallowances / Allowances	(2,814.46)	(568.17)	-	-	-	-	-	(3,382.63)
MAT Credit (Entitlement) / Utilisation	(3,242.99)	-	-	-	-	982.35	(159.16)	(2,419.80)
Total :	52,522.06	1,682.26	7,158.84	-	-	982.35	(159.16)	62,186.35

21 TRADE PAYABLES

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Current :		
Trade Payable to related parties (Refer Note No. 38) :	145.31	663.98
Trade Payables		
a. Total outstanding dues of micro enterprises and small enterprises	2,632.39	3,826.04
b. Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note below for details of dues to Micro, Small and Medium Enterprises)	32,500.37	23,842.03
Total :	35,278.07	28,332.05

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21 TRADE PAYABLES (Contd.)

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act”)		
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2,632.39	3,826.04
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the Auditors.		

The Company has made payments to Micro and Small suppliers within the stipulated payment period as prescribed under Micro and Small enterprises Development Act, 2006 (MSMED Act, 2006). Accordingly, no interest is payable to such suppliers. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

AGEING SCHEDULE OF TRADE PAYABLE FOR THE F. Y. 2021-22

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	2,557.93	74.46	-	-	-	2,632.39
(ii) Others	23,678.94	6,983.31	529.64	1,300.88	152.91	32,645.68
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	26,236.87	7,057.77	529.64	1,300.88	152.91	35,278.07

AGEING SCHEDULE OF TRADE PAYABLE FOR THE F. Y. 2020-21

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3,593.84	232.20	-	-	-	3,826.04
(ii) Others	21,648.89	2,064.89	253.62	87.95	450.66	24,506.01
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	25,242.73	2,297.09	253.62	87.95	450.66	28,332.05

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22 OTHER FINANCIAL LIABILITIES

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Current :		
Interest accrued but not due on borrowings	74.33	61.86
Unpaid dividends	191.02	176.97
Payables for capital goods	13,740.99	15,462.30
Security Deposits / Earnest Money Deposits	8,863.93	5,091.76
Payable to GACL-NALCO Alkalies and Chemicals Pvt. Ltd. (Related party - Refer Note No. 38)	2.69	2.69
Payable to GACL Education Society (Related Party - Refer Note No. 38)	4.06	4.06
Total :	22,877.02	20,799.64

23 OTHER CURRENT LIABILITIES

[Rs. in Lakhs]

Particulars	As at 31.03.2022	As at 31.03.2021
Other payables :		
Other Statutory Liabilities	4,137.15	910.65
Advance received from customers	2,338.64	1,381.14
Unspent CSR Expenses (Refer Note No. 45)	602.96	-
Total :	7,078.75	2,291.79



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 REVENUE FROM OPERATIONS

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022		Year Ended 31.03.2021	
(i) SALE OF PRODUCTS :				
[a] MANUFACTURING OPERATIONS :-				
Caustic Soda Lye	1,16,832.62		51,346.87	
Caustic Soda Flakes	40,926.79		26,556.41	
Caustic Soda Prills	8,094.31		6,970.10	
Chloromethanes	33,880.97		22,684.28	
Caustic Potash Lye	7,215.99		4,500.45	
Caustic Potash Flakes	17,565.40		12,287.93	
Potassium Carbonate	9,809.26		7,679.43	
Hydrogen Peroxide	27,604.87		21,347.08	
Phosphoric Acid (85%)	24,529.33		14,973.68	
Poly Aluminium Chloride	7,017.36		6,070.45	
Aluminium Chloride	32,129.09		21,427.57	
Chlorinated Paraffin Wax	907.54		1,513.14	
Benzyl Chloride	5,992.23		4,110.17	
Benzyl Alcohol	8,238.89		5,395.50	
Benzaldehyde	3,893.92		2,650.70	
Sodium Chlorate	10,864.47		8,001.28	
Stable Bleaching Powder	2,107.49		3,456.09	
Liquid Chlorine	897.01		3,658.48	
Hydrogen Gas	4,125.17		3,242.89	
Others	3,859.62		3,286.13	
		3,66,492.33		2,31,158.63
[b] TRADING ACTIVITY		473.82		1,896.98
[c] SALE OF POWER		1,374.08		1,393.67
Total (i)		3,68,340.23		2,34,449.28
(ii) OTHER OPERATING REVENUE :				
Sale of Scrap	1,035.84		1,048.35	
Insurance claims received	191.70		258.57	
Export Incentives	148.20		257.75	
Credit balances written back (Net)	222.78		2,554.20	
Freight Outward Recovered (Gross)	4,895.36		3,617.88	
Other Receipts	1,039.48		762.03	
Total (ii)		7,533.36		8,498.78
Total (i + ii)		3,75,873.59		2,42,948.06

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 OTHER INCOME

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Interest Income		
a) Deposit with Banks	0.29	-
b) Short Term Deposit / Inter Corporate Deposit	1,049.11	2,832.04
c) Others		
- From Non-Current Assets	86.24	1,337.96
- From Current Assets	558.69	302.36
Dividend Income		
From Non-Current Investments	1,918.93	1,574.60
All Dividends from Equity investments designated as at FVTOCI recognised for both the years relate to investments held at the end of each reporting period.		
Other Non-operating Income		
a) Net Exchange rate variation	-	388.69
b) Rent received from assets given on operating lease	36.58	35.43
c) Net gain arising from Financial Assets designated FVTPL	962.56	208.64
d) Miscellaneous Income	26.58	65.98
Total:	4,638.98	6,745.70

26 COST OF MATERIALS CONSUMED

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Natural Gas (includes used in captive power plant)	33,384.65	27,921.74
Potassium Chloride	14,449.46	12,418.02
Salt	16,558.87	10,062.18
Rock Phosphate	7,771.60	5,227.59
Aluminium Ingots	25,479.86	14,822.71
Alumina Trihydrate Powder	4,701.08	4,882.25
Heavy Normal Paraffin	737.88	1,220.42
Toluene	9,732.35	5,712.64
Methanol - Commercial Grade	5,731.28	4,072.51
Others	9,307.14	6,279.97
Total :	1,27,854.17	92,620.03

27 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022		Year Ended 31.03.2021
Closing Stock :			
Finished Goods	3,243.80	5,770.31	3,953.76
Process Stock	2,526.51		1,510.21
			5,463.97
Less :- Opening Stock :			
Finished Goods	3,953.76	5,463.97	3,122.74
Process Stock	1,510.21		1,505.07
			4,627.81
(Increase) / Decrease :		(306.34)	(836.16)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****28 EMPLOYEE BENEFITS EXPENSE**

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
a) Salaries and Wages	22,412.16	16,524.96
b) Contributions to :		
(i) Provident Fund	1,087.90	3,342.89
(ii) Superannuation Scheme	692.52	706.12
(iii) Gratuity Fund	426.67	346.15
(iv) Employee State Insurance Corporation	7.46	11.67
c) Staff Welfare Expenses	2,566.70	2,387.87
Total :	27,193.41	23,319.66

29 FINANCE COSTS

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
(a) Interest Expense :		
On Term Loans	218.97	430.58
On Dismantling Cost (Refer Note No. 19.2)	137.31	134.12
On Leasehold Land	5.73	5.80
Others	6.77	736.57
(b) Other Borrowing Costs :		
Bank Charges	245.85	239.09
Total :	614.63	1,546.16

30 DEPRECIATION AND AMORTISATION EXPENSE

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Depreciation on Property, Plant and Equipment (Note No. 3)	19,403.97	17,072.26
Amortisation on Right of Use Assets (Note No. 3)	270.18	257.73
Amortisation on Intangible Assets (Note No. 4)	104.24	106.07
Total :	19,778.39	17,436.06

31 POWER, FUEL & OTHER UTILITIES

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Power	61,013.47	41,139.02
Fuel, Natural Gas and Water Charges	12,891.47	8,468.52
Total :	73,904.94	49,607.54

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

32 OTHER EXPENSES

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022		Year Ended 31.03.2021
Stores and Spare-parts consumed		6,681.47	6,392.72
Repairs, Maintenance and Replacement			
Building	-		10.58
Plant and Machinery	4,109.48		3,538.98
Others	6,506.40		5,698.39
		10,615.88	9,247.95
Job Work / Processing Charges		8,945.55	7,332.54
Safety & Environment Expenses		234.27	275.15
Insurance		1,496.32	1,602.11
Packing Materials Consumption		6,273.94	4,827.85
Rent		246.31	291.01
Rates and Taxes		18.75	18.92
Printing and Stationery		50.98	47.91
Postage and Telephone		70.41	66.97
Vehicle Running and Maintenance including Hire Charges		664.06	695.11
Directors' Fees		22.40	12.55
Auditors' Remuneration and Expenses (Refer Note-38)		15.50	13.50
Membership and Subscription Fees		26.91	70.50
Brokerage and commission		2.53	-
Travelling and Conveyance		57.53	21.41
Legal and Professional Charges		239.25	277.14
Research and Development Expenses		126.31	125.40
Loss on Sale of Fixed Assets (Net)		40.94	31.96
Donations & Other CSR Cost (Refer Note-45)		1,199.49	1,501.79
Bad Debts Written Off		-	74.59
Provision for expected credit loss allowances		31.93	342.11
Loss on Exchange Rate (Net)		51.32	-
Stores & Spare -parts Written Off		805.36	66.96
General Expenses		1,497.34	1,054.20
Commission on Sales		133.56	132.97
Other Marketing Expenses		3,704.00	2,689.18
Freight Outward Paid (Gross)		4,844.97	3,550.42
Total :		48,097.28	40,762.92

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

33 TAX EXPENSES

During the Current Year, the Tax Liability under normal Provisions of the Income Tax Act, 1961 comes to Rs.26,946.97 Lakhs (Previous Year Rs.5,661.72 Lakhs) and Tax Liability under MAT Provisions of Income Tax Act, 1961 is Rs.14,481.03 Lakhs (Previous Year Rs.4,679.38 Lakhs). Hence, the Company is required to pay the tax under Regular Tax Provisions of Income Tax Act, 1961 after considering MAT Credit Set Off of Rs.2,212.03 Lakhs.

Income Taxes relating to continuing operations

Income Tax Recognised in Profit or Loss

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Current Tax		
In respect of current year [MAT Credit Set Off Rs.2,212.03 Lakhs (Previous year MAT credit Set Off Rs.982.35 lakhs)]	26,946.97	5,661.72
In Respect of Prior Year	174.35	(448.64)
Total :	27,121.32	5,213.08
Deferred Tax		
In respect of current year	(456.44)	1,682.26
In respect of earlier year	-	-
Total :	(456.44)	1,682.26
Total tax expense recognised in the current year relating to continuing operation	26,664.88	6,895.34

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

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Profit before tax from continuing operation	82,641.21	23,469.07
Income Tax expense calculated @ 34.944% (Previous year 34.944%)	28,878.14	8,201.03
Effect of income that is exempt from taxation	-	-
Effect of expenses that are not deductible in determining taxable profits	426.11	2,661.55
Effect of concession (allowances)	(2,891.20)	(3,557.51)
Adjustments recognised in current year in relation to the current tax of prior years	174.35	(448.64)
Other Adjustments	77.48	38.91
Income tax expense recognised in profit or loss (relating to continuing operation)	26,664.88	6,895.34

The tax rate used for the year 2021-22 in reconciliation above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.

Income Tax Recognised in Other Comprehensive Income

[Rs. in Lakhs]

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Deferred Tax Liabilities / (Assets)		
Arising on income and expenses recognised in other comprehensive income :		
Net fair value gain on investment in equity shares at FVTOCI	1,042.71	7,246.86
Remeasurement of defined benefit obligation	(754.02)	(88.02)
	288.69	7,158.84
Arising on income and expenses reclassified from equity to profit or loss :	-	-
Total income tax recognised on other comprehensive income	288.69	7,158.84
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	288.69	7,158.84
Items that may be reclassified to profit or loss	-	-
	288.69	7,158.84

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

34 EARNING PER SHARE - FROM CONTINUING OPERATIONS

[Rs. in Lakhs]

Particulars	Units	Year Ended 31.03.2022	Year Ended 31.03.2021
Net Profit After Tax available for Equity Shareholders	Rs. In Lakhs	55,976.33	16,573.73
Weighted Average Number of Equity Shares of Rs.10/- each	Number	7,34,36,928	7,34,36,928
Basic Earning per Share	Rs.	76.22	22.57
Diluted Earning per Share	Rs.	76.22	22.57

35 LEASES :

Company as a lessee

The company has lease contracts for rented premises used in its operations. The company's obligations under its lease are secured by the lessor's title to the leased asset.

(a) Amounts recognised in the Balance Sheet

[Rs. in Lakhs]

Particulars	31.03.2022	31.03.2021
(i) Right-of-use Asset		
Cost	10,563.50	8,832.15
Accumulated Depreciation	1,070.39	800.21
Net Carrying Amount	9,493.11	8,031.94
(ii) Lease liabilities - Borrowings		
Beginning of the year/period	73.81	74.69
Additions	-	-
Accretion of interest	5.69	5.76
Payments	6.64	6.64
Deletion	-	-
Closing of the year/period	72.86	73.81
Current	5.62	5.69
Non-Current	67.24	68.12

(b) Amounts recognised in the Statement Of Profit And Loss

[Rs. in Lakhs]

Particulars	31.03.2022	31.03.2021
(i) Finance Cost		
Interest Expense On Lease Liability	5.69	5.76
(ii) Depreciation		
Depreciation on right of use lease asset	270.18	257.73

(c) Amounts recognised in Cash Flow Statement

[Rs. in Lakhs]

Particulars	31.03.2022	31.03.2021
Total cash outflow for leases	6.64	6.64

(d) Expense relating to short-term leases and Low-value

[Rs. in Lakhs]

Particulars	31.03.2022	31.03.2021
Amount recognised in statement of Profit and Loss	275.87	263.49

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

36 EMPLOYEE BENEFIT PLANS

Defined Contribution Plan

An amount of Rs.1,087.90 Lakhs (FY 2020-21 Rs.3,342.89 Lakhs) contributed to Provident Fund and amount of Rs.692.52 lakhs (FY 2020-21 Rs.706.12 Lakhs) contributed to Employees Superannuation Trust is recognised as an expense and included in "Employee Benefits Expenses" (Note 28) of Statement of Profit & Loss.

Defined Benefit Plans

The Company offers the following employee benefit schemes to its employees :

- i. Gratuity (included as part of b (iii) in Note 28 Employees benefit expense)
- ii. Leave encashment (included as part of a in Note 28 Employee benefit expense)

The following table sets out the funded status of the defined benefits scheme and the amount recognised in financial statement :

As per Actuarial Valuation as on March 31, 2022

[Rs. in Lakhs]

Particulars	Gratuity	
	31.03.2022	31.03.2021
I Expense recognised in the Statement of Profit and Loss for the year ended		
a. Current Service Cost	421.55	359.82
b. Net Interest on net Defined Liability / (Asset)	1.30	(17.66)
c. Total Expenses	422.85	342.16
II Amount recognised in Other Comprehensive Income		
a. Actuarial (Gains) / Losses on Liability	2,090.05	272.97
b. Return on Plan Assets excluding amount included in Net interest on Defined Liability / (Asset) above	67.75	(21.08)
c. Total	2,157.80	251.89
III Net (Assets) / Liability recognised in the Balance Sheet as on		
a. Present Value of Defined Benefit Obligation	13,096.88	10,787.27
b. Fair Value of Plan Assets	11,042.45	11,158.42
c. Net (Asset) / Liability	2,054.43	(371.15)
IV Change in Present value of Obligation during the year ended		
a. Present Value of Defined Benefit Obligation at the beginning of the year	10,787.27	10,215.23
b. Current Service Cost	421.55	359.82
c. Interest Cost	733.54	663.99
d. Benefit paid	(935.53)	(724.74)
e. Actuarial (Gain) / Loss on obligation	2,090.05	272.97
f. Present Value of Defined Benefit Obligation at the end of the year	13,096.88	10,787.27
V Change in Fair value of Plan Assets during the year ended		
a. Fair Value of Plan Assets at the beginning of the year	11,158.42	10,518.04
b. Expected Return on Plan Assets	732.24	681.64
c. Contribution by Employer	155.07	661.09
d. Actual Benefit Paid	(935.53)	(723.43)
e. Actuarial Gain / (Loss) on Plan Assets	(67.75)	21.08
f. Fair Value of Plan Assets at the end of the year	11,042.45	11,158.42
g. Actuarial Gain / (Loss) to be recognised	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

36 EMPLOYEE BENEFIT PLANS (Contd.)

[Rs. in Lakhs]

Particulars	Gratuity	
	31.03.2022	31.03.2021
VI Actual Return on Plan Assets		
Expected Return on Plan Assets	732.24	681.64
Actuarial Gain / (Loss) on Plan Assets	(67.75)	21.08
Actual Return on Plan Assets	664.49	702.72
VII Balance Sheet Reconciliation		
Opening Net Liability	(371.15)	(302.81)
Expenses Recognised in Profit & Loss Account	422.85	342.16
Amount recognised in Other Comprehensive Income	2,157.80	251.89
Employer's Contribution	(155.07)	(662.39)
Amount Recognised in Balance Sheet (Asset) / Liability	2,054.43	(371.15)

The major categories of Plan Assets as a percentage of Total Plan Qualifying Insurance Policy : 100%

The expected contributions for Defined Benefit Plan for the next Financial Year will be in line with 2021-22.

Experience Adjustments

[Rs. in Lakhs]

Gratuity	2021-22	2020-21	2019-20	2018-19	2017-18
Present Value of funded Obligations	13,096.88	10,787.27	10,215.23	9,306.97	8,846.27
Fair Value of Plan Assets	11,042.45	11,158.42	10,518.04	9,993.58	9,428.24
Funded Status [(Surplus) / Deficit]	2,054.43	(371.15)	(302.81)	(686.61)	(581.97)
Experience adjustments on Plan Liabilities	2,349.16	63.89	231.17	(46.72)	1,577.54
Experience adjustments on Plan Assets	(67.75)	21.08	(28.78)	49.41	(127.83)

[Rs. in Lakhs]

Particulars	Leave Salary	
	31.03.2022	31.03.2021
I Expense recognised in the Statement of Profit and Loss for the year ended		
a. Current Service Cost	349.28	294.43
b. Net Interest on net Defined Liability / (Asset)	593.63	509.27
c. Actuarial (Gains) / Losses on Liability	1,775.46	601.08
d. Total Expenses	2,718.37	1,404.78
II Net (Assets) / Liability recognised in the Balance Sheet as on		
a. Present Value of Unfunded Obligations	10,651.95	8,729.77
b. Unrecognised Past Service Cost	-	-
c. Fair Value of Plan Assets	-	-
Net Liability	10,651.95	8,729.77
III Change in Present value of Obligation during the year ended		
a. Present Value of Unfunded Obligation at the beginning of the year	8,729.77	7,834.96
b. Current Service Cost	349.28	294.43
c. Interest Cost	593.63	509.27
d. Actuarial (Gain) / Loss	1,775.46	601.08
e. Benefit paid	(796.19)	(509.97)
f. Present Value of Unfunded Obligation at the end of the year	10,651.95	8,729.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

36 EMPLOYEE BENEFIT PLANS (Contd.)

Experience Adjustments

[Rs. in Lakhs]

Leave Salary	2021-22	2020-21	2019-20	2018-19	2017-18
Present Value of Unfunded Obligations	10,651.95	8,729.77	7,834.96	7,006.04	6,445.56
Fair Value of Plan Assets	-	-	-	-	-
Funded Status [(Surplus) / Deficit]	10,651.95	8,729.77	7,834.96	7,006.04	6,445.56
Experience adjustments on Plan Liabilities	2,010.62	410.68	346.00	255.13	1,474.63
Experience adjustments on Plan Assets	-	-	-	-	-

Actuarial Assumptions

	Year ended 31.03.2022	Year ended 31.03.2021
1 Discount Rate	6.80% p.a.	6.50% p.a.
2 Expected Return on Plan Assets	6.80% p.a.	6.50% p.a.
3 Withdrawal Rate	5% at younger ages and reducing to 1% at older ages according to graduated scale.	
4 Salary Growth Rate	7.00% p.a.	7.00 % p.a.

Sensitivity Analysis of Defined Benefit Obligation with references to Key Assumptions

[Rs. in Lakhs]

(Positive amount means increase in liability and negative amount means decrease in liability)

Particulars	Gratuity		Leave Salary	
	2021-22	2020-21	2021-22	2020-21
Discount Rate :				
One percentage increase	(801.29)	(668.96)	(721.77)	(606.64)
One percentage decrease	901.03	754.78	821.37	693.30
Salary Escalation Rate :				
One percentage increase	890.41	743.65	811.63	683.01
One percentage decrease	(806.99)	(671.93)	(726.88)	(609.32)
Withdrawal Rate :				
One percentage increase	(2.85)	(18.91)	(3.25)	(19.23)
One percentage decrease	2.95	20.83	3.40	21.47

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS

37.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as a Going Concern while maximising the return to stakeholders through optimisation of the Debt and Equity Balance.

The Company is subject to externally imposed capital requirements as part of its debt covenants such as maintaining a Total Debt to EBIDTA ratio of 2.75 times (Standalone) for one bank and 3 times (consolidated) for another bank, a Debt Service Coverage ratio of 2 times for one bank and 1.30 times for another bank and a Total Debt to Tangible Net Worth ratio of 1 : 1.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital by computing the above ratios on an annual basis and ensuring that the same is in Compliance with the requirements of the Financial Covenants.

The Total Debt to EBIDTA ratio at the end of the reporting period was as follows :

Particulars	[Rs. in Lakhs]	
	Year ended 31.03.2022	Year ended 31.03.2021
Total Debt	59,333.67	49,692.09
EBIDTA	1,03,034.23	42,212.20
Total debt / EBIDTA	0.58	1.18

The Total Debt service coverage ratio at the end of the reporting period was as follows :

Particulars	[Rs. in Lakhs]	
	Year ended 31.03.2022	Year ended 31.03.2021
EBIDTA Less Tax Paid	1,03,034.23	42,212.20
Interest and Installment on loans	4,902.32	7,882.86
Debt Service Coverage	21.02	5.35

The Total Debt to tangible Net Worth ratio at the end of the reporting period was as follows :

Particulars	[Rs. in Lakhs]	
	Year ended 31.03.2022	Year ended 31.03.2021
Total Debt	59,333.67	49,692.09
Tangible Net Worth	4,57,370.15	5,36,932.20
Total Debt / Tangible Net Worth	0.13	0.09

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS (Contd.)

37.2 Categories of Financial Instruments

The carrying value of financial instruments by categories as of March 31, 2022 is as follows :

Particulars	[Rs. in Lakhs]				
	Fair Value through Other Comprehensive Income	Fair value through profit or loss	Amortised Cost	Total Carrying value	Total fair value
Financial Assets					
Cash and Cash Equivalents	-	-	29,771.28	29,771.28	29,771.28
Other Balances with Banks	-	-	191.12	191.12	191.12
Quoted investments (Level 1)	1,36,391.92	136.45	-	136,528.37	136,528.37
Unquoted investments (Level 3)	31,409.21	2,136.65	0.20	33,546.06	33,546.06
Investment in Joint Venture	-	-	40,884.49	40,884.49	40,884.49
Trade receivables	-	-	30,264.19	30,264.19	30,264.19
Loans	-	-	5,192.68	5,192.68	5,192.68
Other financial asset	-	-	4,028.76	4,028.76	4,028.76
Total :	1,67,801.13	2,273.10	1,10,332.72	2,80,406.95	2,80,406.95
Financial Liabilities					
Short Term borrowings	-	-	4,437.45	4,437.45	4,437.45
Long Term borrowings	-	-	54,896.22	54,896.22	52,526.63
Trade Payables	-	-	35,278.07	35,278.07	35,278.07
Other financial liabilities	-	-	22,950.37	22,950.37	22,950.37
Total :	-	-	1,17,562.11	1,17,562.11	1,15,192.52

The carrying value of financial instruments by categories as of March 31, 2021 is as follows :

Particulars	[Rs. in Lakhs]				
	Fair Value through Other Comprehensive Income	Fair value through profit or loss	Amortised Cost	Total Carrying value	Total fair value
Financial Assets					
Cash and Cash Equivalents	-	-	35,520.94	35,520.94	35,520.94
Other Balances with Banks	-	-	176.97	176.97	176.97
Quoted investments (Level 1)	1,40,713.23	122.90	-	1,40,836.13	1,40,836.13
Unquoted investments (Level 3)	22,278.12	5,019.79	0.20	27,298.11	27,298.11
Investment in Joint Venture	-	-	41,106.22	41,106.22	41,106.22
Trade receivables	-	-	28,897.01	28,897.01	28,897.01
Loans	-	-	7,744.76	7,744.76	7,744.76
Other financial asset	-	-	4,670.49	4,670.49	4,670.49
Total :	1,62,991.35	5,142.69	1,18,116.59	2,86,250.63	2,86,250.63
Financial Liabilities					
Short Term borrowings	-	-	6,361.41	6,361.41	6,361.41
Long Term borrowings	-	-	43,330.68	43,330.68	43,655.16
Trade Payables	-	-	28,332.05	28,332.05	28,332.05
Other financial liabilities	-	-	20,873.95	20,873.95	20,873.95
Total :	-	-	98,898.09	98,898.09	99,222.57

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS (Contd.)

37.3 Financial Risk Management Objectives

The Company's Corporate Treasury Function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Compliance with policies and exposure limits is reviewed internally on a continuous basis. The Corporate Treasury does not enter into any trade financial instruments, including derivative financial instruments and relies on natural hedge.

The Corporate Treasury Function monitors risks and policies implemented to mitigate risk exposures on a periodical basis.

37.4 Market Risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company currently has not hedged any External Commercial Borrowings (ECBs). The Company performs an analysis of the impact of not hedging its ECBs. This has been done by comparing the actual cash outflows related to ECBs under current unhedged conditions in the past vis-a-vis the scenario of complete hedging of individual ECB on the disbursement day through quotes provided by the banks. Further, the Company parks its earnings in foreign currency in Exchange Earners Foreign Currency (EEFC) account and discharges its obligations in case of foreign currency loans out of the said account.

The Company's investments in listed and non-listed equity securities are susceptible to price risk arising from uncertainties about future value of the investment securities. The Company's non-current investment in equity shares are strategic investments and hence are considered as Fair Value through Other Comprehensive Income. The Company's Board of Directors reviews and approves all equity investment decisions.

37.5 Foreign Currency Risk Management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters. Further, the Company parks its earnings in foreign currency in Exchange Earners Foreign Currency (EEFC) account and discharges its obligations in case of foreign currency loans and towards import obligations out of the said account.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities are restated at the end of each quarter. The same at the end of the reporting period are as follows :

[Amount in INR in Lakhs]

Particulars	Currency	As at 31.03.2022		As at 31.03.2021	
		Amount in FC	Amount in INR	Amount in FC	Amount in INR
Receivables for export	US\$	35,53,289	2,693.13	10,01,455	732.16
	EURO	1,54,153	129.83	2,14,615	184.03
	GBP	4,91,674	488.99	3,10,656	312.99
Advance to suppliers	CHF	6,107	5.01	-	-
	JPY	-	-	51,75,000.00	34.21
	GBP	-	-	-	-
	US\$	-	-	53,46,231	3,908.63
	EURO	-	-	6,45,000	553.09
Payables for imports	JPY	-	-	-	-
	US\$	52,32,080	3,965.52	2,31,492	169.24
	EURO	2,84,745	239.82	3,14,200	269.43
	GBP	-	-	6,17,096.00	621.74
Commission payable on exports	US\$	6,600	5.00	7,252	5.30
Other payables	US\$	-	-	-	-
	EURO	17,361	14.62	28,599	24.52
	GBP	1,920	1.91	1,920	1.93
ECB Borrowings including interest accrued but not due	US\$	7,84,67,184	59,472.24	6,84,17,947	50,020.36

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS (Contd.)

37.5 Foreign Currency Risk Management (Contd.)

Foreign Currency Sensitivity Analysis

The Company is mainly exposed to US Dollar.

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. 5% is a sensitivity rate used when reporting foreign currency internally to the key management personnel and represents management's assessment of the reasonably possible changes in the foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in the foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

[Rs. in Lakhs]

Currency	Impact on profit or loss for the year		Impact on total equity as at the end of the reporting period	
	2021-22	2020-21	2021-22	2020-21
USD	3,037.48	2,277.71	1,974.55	1,480.65
GBP	(24.35)	15.53	(15.83)	10.10
EUR	6.23	(22.16)	4.05	(14.40)
CHF	(0.25)	-	(0.16)	-
JPY	-	(1.71)	-	(1.11)

37.6 Interest Rate Risk Management

The Company is exposed to interest rate risk because the Company borrows funds at floating interest rates. The risk is managed by the Company by monitoring the exchange rate on regular basis and also parking the export proceeds in the EEFC account which also provides a natural hedge for the outflows in foreign currency. Further, the Company performs an impact analysis of not hedging its ECBs. This has been done by comparing the actual cash outflows related to ECBs under current unhedged conditions in the past vis-a-vis the scenario of complete hedging of individual ECB on the disbursement day through quotes provided by the banks.

Interest Rate 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 profit before tax for the year ended would be impacted to the extent of Rs.56.28 Lakhs (Rs.87.41 lakhs for the year 2020-21).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS (Contd.)

37.7 Credit Risk Management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is operating through network of dealers based at different locations. In order to ensure the security of receivables, the Marketing Department computes an exposure ratio for every dealer based on his past turnover, track record, etc. The same is overseen and approved by the Board. Further, the Company also collects bank guarantees / security deposits from the respective dealers. Regular monitoring of the receivables is undertaken by the Marketing Department and in case the limits are exceeded, an auto lock system is in place in the SAP system of the Company to stop further supplies to the concerned dealer till the amount outstanding is recovered. In case of new customers, the goods are supplied only against advance receipts. For the export made by the Company, the sales are backed by letters of credit or advance receipts. The internal risk management committee of the Company meets regularly to discuss the dealers and credit risks, measures taken to address them and the status and level of risk after the measures taken.

Domestic & Export trade receivables are secured to the extent of interest free security deposits and bank guarantees / letter of credit received from the customers amounting to Rs. 5,275.36 Lakhs and Rs. 4,792.44 Lakhs as at 31st March, 2022 and 31st March, 2021 respectively. (Refer Note No. 12 for Trade Receivables outstanding).

37.8 Liquidity Risk Management

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 internal accruals. The liquidity risk is managed by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Weighted average effective interest rate (%)		Carrying Value	Upto 1 year	1-5 years	5+ years	Total
March 31, 2022							
Variable Interest rate Instruments	4.71%	US \$ in Million	-	5.67	72.70	-	78.37
Trade Payables		Rs. In Lakhs	59,183.40	4,239.08	54,944.32	-	59,183.40
Other Financial Liabilities			35,278.07	35,278.07	-	-	35,278.07
			22,950.37	22,883.13	67.24	-	22,950.37
March 31, 2021							
Variable Interest rate Instruments	3.76%	US \$ in Million	-	8.67	51.66	8.00	68.33
Trade Payables		Rs. In Lakhs	49,958.50	6,336.20	37,773.50	5,848.80	49,958.50
Other Financial Liabilities			28,332.05	28,332.05	-	-	28,332.05
			20,805.83	20,625.67	176.97	3.19	20,805.83

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS (Contd.)

37.8 Liquidity Risk Management (Contd.)

Financing facilities

[Rs. in Lakhs]

Particulars	Year ended	Year ended
	31.03.2022	31.03.2021
Secured Bank Loan facilities		
- amount used	150.26	25.21
- amount unused	12,849.74	12,974.79
Cash and cash equivalents	29,771.28	35,520.94
Other Bank Balances	191.12	176.97

37.9 Fair Value Measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

37.9.1 Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

[Rs. in Lakhs]

Financial assets / financial liabilities	Fair value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
	31.03.2022	31.03.2021		
1) Investments in equity instruments (quoted) (see note 6)	Listed equity securities in various companies engaged in fertilizer, gas and power industry domiciled in India- aggregate fair value of Rs.1,36,528.37	Listed equity securities in various companies engaged in fertilizer, gas and power industry domiciled in India- aggregate fair value of Rs.1,40,836.13	Level 1	Quoted bid prices in an active market

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS (Contd.)

37.9 Fair Value Measurements (Contd.)

[Rs. in Lakhs]

Financial assets / financial liabilities	Fair value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relation of unobservable inputs to fair value
	31.03.2022	31.03.2021				
2) Investments in equity instruments at FVTOCI (unquoted) (see note 6)	a 1) Investment in equity securities of a company belonging to the manufacturing sector domiciled in India- Rs.7,870.50	a 1) Investment in equity securities of a company belonging to the manufacturing sector domiciled in India- Rs.6,482.03	Level 3	Market Approach- Comparable Companies- In this approach, the value of shares / business of a company is determined based on market multiples of publicly traded comparable companies. (Refer note 36.9.1.1 below).	Annual Report for the previous year, shareholding pattern as on the valuation date, publicly available information and information available from secondary sources, discussion with Company personnel	The fair valuation estimates are based on historical annual accounts/ annual reports and based on information collected from public domain. Information pertaining to future expected performance of investee company including projections about their profitability, balance sheet status and cash flow expectations are not available.
	a. 2) Investment in company engaged in the business of gas marketing - aggregate fair value of Rs.2,408.53	a. 2) Investment in company engaged in the business of gas marketing - aggregate fair value of Rs.2,126.31	Level 3	(Refer note below)	Discount factor, Sales Volume and Trading Margin	No Sensitivity analysis has been carried out as at 31.03.2022 on account of non-availability of data.
	Note - 36.9.1.1 - Discounted Free Cash flow method has been used to arrive at the enterprise value of the gas marketing business of the investee and the exploration and production assets are valued using price of recent investment / transaction (PORI) method and reserve multiple approach. Under DCF technique, the projected free cash flows from gas marketing business of the Company are discounted at the weighted average cost of capital and the sum of the present value of such free cash flows would represent the value of business. Under the reserve multiple method past transaction multiples of oil and gas companies is used to arrive at the valuation. The investee has various investments in subsidiaries / Other investments. Each of these subsidiary and Other investments have been separately valued using market price method, DCF method, CCM method and book value (NAV) method and applied the investee's stake percentage to arrive at the fair value of investee's investment. Under the market price method, the valuation is derived from the quoted market price of the share of the Company as at the valuation date. Under CCM Method, peer multiple for one or more comparable Companies is used. Under the NAV method, the valuation is derived by calculating the net assets value of the investee as at the valuation date.					
	b) Investment in equity securities of various companies belonging to the conveyance of the treated waste water and Venture Capital Fund sector domiciled in India- Rs.871.48	b) Investment in equity securities of various companies belonging to the conveyance of the treated waste water and Venture Capital Fund sector domiciled in India- Rs.784.02	Level 3	Cost Approach- Net asset value- In this approach, total value is based on the sum of net asset value as recorded on the balance sheet. A net asset methodology is most applicable for businesses where the value lies in the underlying assets and not the ongoing operations of the business. (Refer notes 36.9.1.1 and 36.9.1.2).	Shareholding pattern as on the valuation date, publicly available information and information available from secondary sources, discussion with Company personnel	The fair valuation estimates are based on historical annual accounts / annual reports and based on information collected from public domain. Information pertaining to future expected performance of investee companies including projections about their profitability, balance sheet status and cash flow expectations are not available.
	c) Investment in equity securities of a company belonging to the shipping and storage sector domiciled in India- Rs.20,258.70	c) Investment in equity securities of a company belonging to the shipping and storage sector domiciled in India- Rs.12,885.76	Level 3	Market Approach- Comparable Companies- In this approach, the value of shares / business of a company is determined based on market multiples of publicly traded comparable companies. (Refer note 36.9.1.1).	Annual Report for the previous year, shareholding pattern as on the valuation date, publicly available information and information available from secondary sources, discussion with Company personnel	The fair valuation estimates are based on historical annual accounts/ annual reports and based on information collected from public domain. Information pertaining to future expected performance of investee companies including projections about their profitability, balance sheet status and cash flow expectations are not available.
3) Investments in Securities instruments at FVTPL (unquoted) (see note 6)	a) Investment in Government Bond Securities - Rs.1,059.80	a) Investment in Government Bond Securities - Rs.1,556.67	Level 3	Market Approach	Valued using input based on information about market participants assumptions and other data that are available	The fair valuation estimates are based on historical information and based on information collected from public domain.
	b) Investment in Private Bond Securities - Rs.1,064.54	b) Investment in Private Bond Securities - Rs.3,450.80				
	c) Investment in Mutual Fund Securities - Rs.12.32	c) Investment in Mutual Fund Securities - Rs.12.32				

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 FINANCIAL INSTRUMENTS (Contd.)

37.9 Fair Value Measurements (Contd.)

37.9.1.1 The Company has invested in the equity instruments of various companies. However, the percentage of shareholding of the Company in such investee companies is very low and hence, it has not been provided with future projections including projected profit and loss account by those investee companies. Hence, the independent valuer appointed by the Company has estimated fair value based on available historical Annual Reports of such companies and other information as available in the public domain and is being relied upon. Since the future projections are not available, discounted cashflow approach for fair value determination has not been followed.

37.9.1.2 In case of some companies, there are no comparable companies valuations available. In light of no information available for future projections, capacity utilisation, commencement of operations, etc., the valuation is based on cost approach.

37.9.2 Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the Company considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Fair Value Hierarchy as at 31.03.2022

[Rs. in Lakhs]

Particulars	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Long Term Borrowings	-	-	52,526.63	52,526.63

Fair Value Hierarchy as at 31.03.2021

[Rs. in Lakhs]

Particulars	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Long Term Borrowings	-	-	43,655.16	43,655.16

37.9.3 Reconciliation of Level 3 fair value measurements

[Rs. in Lakhs]

Particulars	Investment in unquoted Securities irrevocably designated as FVTPL	Investment in unquoted shares irrevocably designated as FVTOCI
For the year ended March 31, 2022		
Opening Balance	5,019.79	22,278.12
Purchases/(Sale)	(2,883.14)	-
Total gains/(losses) in other comprehensive income	-	9,131.09
Total gains/(losses) in Profit & Loss Account	-	-
Closing balance	2,136.65	31,409.21
For the year ended March 31, 2021		
Opening Balance	-	24,878.66
Purchases	5,047.20	30.00
Total gains/(losses) in other comprehensive income	-	(2,630.54)
Total gains/(losses) in Profit & Loss Account	(27.41)	-
Closing balance	5,019.79	22,278.12

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38 RELATED PARTY TRANSACTIONS

The Company is controlled by Government of Gujarat and Gujarat Industrial Investment Corporation Limited and hence the Company is a Government related entity as per Ind AS 24 'Related Party Disclosures'.

[Rs. in Lakhs]

Name of the Party	Nature of Relationship	Nature of Transaction	Volume of Transaction in 2021-22	Amount Outstanding as on 31.03.2022	Volume of Transaction in 2020-21	Amount Outstanding as on 31.03.2021
GACL-NALCO Alkalies & Chemicals Pvt. Ltd.	Joint Venture	Deputation Allowance	3.15	-	-	-
		Rent Receipt	34.14	0.49	32.52	-
		Assets Purchase	47.53	0.82	-	-
		Sale of Goods	193.69	178.83	0.80	-
		Security Deposit Received	-	2.69	-	2.69
		GST Recovery	-	-	1,310.33	1,310.33
		SAP Expenses	-	-	20.41	20.41
		Investment in Equity Shares	-	40,884.49	5,400.00	41,106.22
National Aluminium Company Limited	Joint Venture Partner	Purchase of Goods	2,349.62	66.86	4,172.13	22.41
Delhi Jal Board	Government related Entity	Sale of Goods	657.94	161.30	523.10	259.48
Gujarat Water Supply & Sewage Board	Government related Entity	Sale of Goods	122.57	108.30	133.25	73.18
Gujarat State Petroleum Corporation Ltd.	Associates	Purchase of Goods	34.70	-	2,200.40	12.66
		Investment in Equity Shares	-	1,349.99	-	1,349.99
Gujarat State Financial Services Limited	Government related Entity	Deposits - Placed	1,27,600.00	30,000.00	2,02,050.00	40,500.00
		Deposits - Withdraw	1,38,100.00	-	2,22,550.00	-
		Interest Received	1,196.15	-	5,175.45	-
Gujarat State Investment Ltd.	Promoters	Share Capital	-	1,532.93	-	1,532.93
		Dividend Paid	1,226.35	-	1,226.35	-
Gujarat Industrial Investment Corporation Ltd.	Promoters	Share Capital	-	711.90	-	711.90
		Dividend Paid	569.52	-	569.52	-
Gujarat Maritime Board	Promoters	Share Capital	-	273.47	-	273.47
		Dividend Paid	218.78	-	218.78	-
Gujarat Industrial Development Corporation	Promoters	Share Capital	-	289.77	-	289.77
		Dividend Paid	231.82	-	231.82	-
		Contribution for 100 MLD Desalination Project	1,888.41	9,120.00	-	-
Gujarat Mineral Development Corporation Ltd.	Promoters	Share Capital	-	414.54	-	414.54
		Dividend Paid	331.63	-	331.63	-
Gujarat State Fertilizers & Chemicals Ltd.	Associates	Investment in Equity Shares	-	1,500.00	-	1,500.00
		Purchase of Goods	0.01	-	262.88	-
		Sale of Goods	3,180.07	389.89	1,524.68	141.32
		Dividend Received	165.00	-	90.00	-
Gujarat Urja Vikas Nigam Limited	Associates	Purchase of Goods	1,812.56	-	1,236.39	396.15
		Sale of Goods	1,368.09	109.22	-	-
Gujarat Narmada Valley Fertilizers & Chemicals Limited	Promoters	Purchase of Goods	338.04	22.32	1,274.34	182.13
		Sale of Goods	833.09	68.89	879.15	211.15
		Share Capital	-	176.00	-	176.00
		Dividend Paid	140.80	-	140.80	-
Gujarat Industries Power Company Limited	Associates	Investment in Equity Shares	-	8,139.82	-	8,139.82
		Sale of Goods	16.34	0.67	24.65	0.36
		Purchase of Goods	9,634.23	56.13	14,569.22	50.63
		Dividend Received	623.40	-	669.58	-
Gujarat Gas Limited	Associates	Investment in Equity Shares	-	2,000.00	-	2,000.00
		Dividend Received	426.32	-	266.45	-
Gujarat Guardian Limited	Associates	Director Sitting Fees Received	0.15	-	-	-
		Investment in Equity Shares	-	742.50	-	742.50
		Dividend Received	556.88	-	438.08	-
GACL Education Society	Associates	Contribution for CSR Activities	583.48	-	895.98	-
		Rent Receipt	6.40	0.65	6.21	0.15
		Security Deposit Received	-	4.06	-	4.06
Gujarat State Electricity Corporation Limited	Government related Entity	Sale of Goods	518.80	88.69	-	-
Gujarat Chemical Port Limited	Associates	Rent Paid	499.18	40.67	-	-
		Dividend Income	147.34	-	110.50	-
		Investment in Equity Shares	-	613.90	-	613.90
Gujarat State Petronet Limited	Associates	Purchase of Goods	49.46	-	-	-
Vadodara Jal Sanchay Pvt. Ltd.	Associates	Investment in Equity Shares	-	30.00	30.00	30.00
Shri P K Gera, IAS (Retd.), Managing Director	Key Management Personnel	Remuneration	-	-	20.70	-
Shri Milind Torawane, IAS, Managing Director	Key Management Personnel	Charge Allowance	0.47	-	-	-
Shri Harshad R. Patel, IAS, Managing Director	Key Management Personnel	Remuneration	3.76	-	-	-
Shri S S Bhatt, Company Secretary and CGM (Legal & CC)	Key Management Personnel	Remuneration	44.18	-	36.86	-
		Loans	11.88	11.41	-	1.38
Shri Vinayak Kudtarkar – General Manager (Finance) & Chief Financial Officer	Key Management Personnel	Remuneration	37.16	-	30.30	-
		Loans	-	5.58	-	7.69
Shri Anil Mukim, IAS - Chairman (Upto 03.09.2021)	Key Management Personnel	Sitting Fees	0.35	-	1.00	-
Shri Pankaj Kumar, IAS - Chairman (From 07.09.2021)	Key Management Personnel	Sitting Fees	0.88	-	-	-
Shri M K Das, IAS - Director	Key Management Personnel	Sitting Fees	1.58	-	0.38	-
Smt. Vasuben Trivedi - Director (Upto 14.02.2022)	Key Management Personnel	Sitting Fees	4.20	-	2.80	-
Shri Rajiv Lochan Jain - Director	Key Management Personnel	Sitting Fees	5.78	-	3.10	-
Shri S B Dangayach - Director	Key Management Personnel	Sitting Fees	5.25	-	2.90	-
Shri Rohitbhai J Patel - Director (Upto 10.11.2020)	Key Management Personnel	Sitting Fees	-	-	0.90	-
Shri Tapan Ray - Director, IAS (Retd.) (Upto 31.12.2021)	Key Management Personnel	Sitting Fees	2.45	-	0.18	-
Shri Pankaj Joshi, IAS - Director (Upto 02.11.2021)	Key Management Personnel	Sitting Fees	1.58	-	1.30	-
Shri Nitin Shukla - Director (From 24.03.2022)	Key Management Personnel	Sitting Fees	0.18	-	-	-
Shri J P Gupta, IAS - Director (From 15.12.2021)	Key Management Personnel	Sitting Fees	0.18	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

39 THE BREAK-UP OF PAYMENT TO AUDITORS (NET OF TAXES) IS AS UNDER :

Particulars	[Rs. in Lakhs]	
	2021-22	2020-21
Audit Fees - Standalone & Consolidated	12.00	10.50
Quarterly/Half Yearly Review	3.50	3.00
Out of Pocket Expenses	-	-
Total	15.50	13.50

40 INCOME AND EXPENDITURE IN FOREIGN CURRENCY

Sr. No.	Particulars	[Rs. in Lakhs]	
		2021-22	2020-21
(a)	Earnings in Foreign Exchange - Export of Goods on F.O.B. basis (includes Deemed Export sales)	49,715.07	33,996.65
(b)	Expenditure in Foreign Currency (on accrual basis) on account of :		
	(i) Interest	908.12	453.08
	(ii) Foreign Tour Expenses	0.57	-
	(iii) Bank charges and Commission	0.06	183.71
	(iv) Subscription	42.60	-
	(v) Commission on Export Sales	5.00	12.82
	(vi) AMC & Other Charges (For ISO Tank)	34.93	57.88
	(vii) Other Expenses	1,363.17	1,908.02

41 VALUE OF IMPORTS ON CIF BASIS

Particulars	[Rs. in Lakhs]	
	2021-22	2020-21
Raw Materials	29,314.35	14,324.98
Purchase of Traded Goods - Phosphoric Acid	-	302.00
Stores and Spare Parts	277.20	528.94
Capital Goods	12,597.60	11,452.91

42 FOREIGN CURRENCY EXPOSURES

The Company has not taken any derivative instrument during the year. The year end unhedged foreign currency exposures are given below :

Amount Receivable on account of export of goods and services and Advance to Suppliers :

Particulars	Currency	As on 31.03.2022		As on 31.03.2021	
		Rs. in Lakhs	Amount in FC	Rs. in Lakhs	Amount in FC
Receivable for Exports	US \$	2,693.13	35,53,289	732.16	10,01,455
	EURO	129.83	1,54,153	184.03	2,14,615
	GBP	488.99	4,91,673	312.99	3,10,656
Advance to Suppliers	CHF	5.01	6,107.00	-	-
	JPY	-	-	34.21	51,75,000
	GBP	-	-	-	-
	US \$	-	-	3,908.63	53,46,231
	EURO	-	-	553.09	6,45,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

42 FOREIGN CURRENCY EXPOSURES (Contd.)

Amount payable on account of import of goods, services and others :

Particulars	Currency	As on 31.03.2022		As on 31.03.2021	
		Rs. in Lakhs	Amount in FC	Rs. in Lakhs	Amount in FC
Payables for Imports	JPY	-	-	-	-
	US \$	3,965.52	52,32,080	169.24	2,31,492
	EURO	239.82	2,84,745	269.43	3,14,200
	GBP	-	-	621.74	6,17,096
Commission payable on exports	US \$	5.00	6,600	5.30	7,252
Other Payables	US \$	-	-	-	-
	GBP	1.91	1,920	1.93	1,920
	EURO	14.62	17,361	24.52	28,599

Amount payable on account of ECB Borrowings :

Particulars	Currency	As on 31.03.2022		As on 31.03.2021	
		Rs. In Lakhs	Amount in FC	Rs. In Lakhs	Amount in FC
ECB and Accrued interest	US \$	59,472.24	7,84,67,184	50,020.36	6,84,17,947

43 CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

[Rs. in Lakhs]

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
(i) Contingent Liabilities		
(a) Claims against the Company not acknowledged as debt	19,978.46	22,472.11
(b) Various pending cases before Labour court and Industrial Tribunal	Not ascertainable	Not ascertainable
(c) Disputed Sales Tax liability [Including Purchase Tax Liability (2000-01 to 2005-06)]	21,085.14	21,085.14
(d) Disputed Excise Duty liability	3,190.02	3,175.50
(e) Disputed Service Tax liability	706.29	706.50
(f) Disputed Income Tax liability (excluding interest) :		
(i) Pending Before Appellate Authorities in respect of which the Company is in appeal	1,098.91	1,313.88
(ii) Decided in Company's favour by Appellate Authorities and Department is in further appeal	13,086.28	13,086.28
	59,145.10	61,839.41
In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements pending at various forums / authorities.		
(g) Guarantees given by the Company's Bankers for various purposes are	12,316.45	13,375.87
Total (i)	71,461.55	75,215.28
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	39,502.67	92,622.96
Total (ii)	39,502.67	92,622.96
Total	1,10,964.22	1,67,838.24

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

44 The Group's operations fall under single segment namely "Chemicals" hence no separate disclosure of segment reporting is required to be made as required under Ind AS 108 'Operating Segments'.

45 ADDITIONAL INFORMATION REQUIRED BY SCHEULE III [Rs. in Lakhs]

Name of the Entity in the Group	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated net Profit / (Loss)	Amount	As % of Consolidated OCI	Amount	As % of Consolidated TCI	Amount
Parent								
Gujarat Alkalies And Chemicals Limited								
31st March 2022	93.07%	5,49,045.27	100.40%	56,198.07	100.00%	2,363.29	100.38%	58,561.36
31st March 2021	92.35%	4,96,358.85	100.67%	16,685.08	100.00%	67,198.32	100.13%	83,883.40
Joint Venture (Accounted as per Equity Method)								
GACL-NALCO Alkalies & Chemicals Pvt. Ltd.								
31st March 2022	6.93%	40,884.49	-0.40%	(221.74)	0.00%	-	-0.38%	(221.74)
31st March 2021	7.65%	41,106.23	-0.67%	(111.35)	0.00%	-	-0.13%	(111.35)
Total								
31st March 2022	100.00%	5,89,929.76	100.00%	55,976.33	100.00%	2,363.29	100.00%	58,339.62
31st March 2021	100.00%	5,37,465.08	100.00%	16,573.73	100.00%	67,198.32	100.00%	83,772.05

46 OTHER STATUTORY INFORMATION

46.1 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

46.2 The Company has utilised funds raised from issue of securities or borrowings from banks and financial institutions for the specific purposes for which they were issued/taken.

46.3 The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

46.4 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:

46.4(a) 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

46.4(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

46.5 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:

46.5(a) 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

46.5(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

- 46.6** On the basis of information available, the Company does not have any transactions with struck-off companies.
- 46.7** The Company does not have any transaction which is not recorded in the books of accounts but 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).
- 46.8** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 46.9** The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- 47** Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification / disclosure.
- 48** Approval of Financial Statements
The financial statements are approved for issue by the Board of Directors on 24th May, 2022

As per our attached Report of even date.

For **K. C. Mehta & Co.**
Chartered Accountants
Firm Reg. No. : 106237W

Harshad R. Patel, IAS
Managing Director
DIN No. : 08101424

For and on behalf of the Board

Pankaj Kumar, IAS
Chairman
DIN No. : 00267528

Pritesh Amin
Partner
Membership No. 105926

Vinayak Kudtarkar
General Manager (Finance) &
Chief Financial Officer

S. S. Bhatt
Company Secretary &
Chief General Manager
(Legal & CC)

Place : Gandhinagar
Date : 24th May, 2022

FORM AOC - 1

(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A” : Subsidiaries

Sr. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of shareholding
- Not Applicable -													

Part “B” : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

[Rs. in Lakhs]

Sr. No.	Name of Associates/ Joint Ventures	1. Latest audited Balance Sheet Date	2. Shares of Associate/Joint Ventures held by the company on the year end			3. Description of how there is significant influence	4. Reason why the associate/ joint venture is not consolidated	5. Networth attributable to Shareholding as per latest audited Balance Sheet	6. Profit / Loss for the year	
			No.	Amount of investment in Associates/ Joint Venture	Extend of Holding %				i. Considered in Consolidation	ii. Not Considered in Consolidation
1	GACL-NALCO Alkalies and Chemicals Pvt. Ltd.	31.03.2022	41,40,00,000	41,400.00	60	N.A.	N.A.	40,884.49	(221.74)	-

Sd/-
Harshad R. Patel, IAS
Managing Director
DIN No. : 08101424

Sd/-
Pankaj Kumar, IAS
Chairman
DIN No. : 00267528

Sd/-
Vinayak Kudtarkar
General Manager (Finance) &
Chief Financial Officer

Sd/-
S. S. Bhatt
Company Secretary &
Chief General Manager
(Legal & CC)

Place : Gandhinagar
Date : 24th May, 2022

Invigorating Growth with advanced and eco-friendly Technologies

At GACL, growth is powered by greener and cleaner technologies. With periodic upgrading and adaption of newer and greener technologies, GACL has been writing new chapters of success. By ensuring maximum capacity utilisation, the organisation is setting new benchmarks. The organisation was the pioneer in the caustic soda industry replacing the Mercury Cell Technology with the environment-friendly membrane cell technology way back in 1989. The Organisation was also one of the first state-promoted enterprises to embrace alternative sources of energy. It has 171.4 MW of Wind Power and 35 MW of Solar Power generation capacity. GACL's quest for using the best and latest eco-friendly technology differentiates it. This has also helped the organisation in strengthening its position in the market as one of the most reliable players.



Innovation is brought to life with R&D

By harping on the power of R&D, GACL has been simplifying its progress. It has improved product and production processes with its R&D initiatives. The R&D department has received 6 Patents and filed 2 more for Improved Product Processes. GACL and CSIR-IIT, Hyderabad have achieved success in developing indigenous environment-friendly technology to manufacture super speciality chemical Hydrazine Hydrate (H₆N₂O). Patent Office, the Government of India and the United States Patent & Trademark Office have awarded a joint patent to GACL and CSIR for this invention. The patent reads 'An improved process for the production of Hydrazine Hydrate'. At present, Hydrazine Hydrate is a 100% imported product in India and as an import substitute product with world-class quality will help in reducing India's dependency on imports.



Inculcating better Safety Practices

Safety is of utmost importance for any organisation. For a Chemical Industry, safety has many dimensions to it. Safety of employees and contract workers, the safety of work premises, the safety of the environment, the safety of society and so on. The negligence can have severe consequences ranging from casualties, economic losses, environmental pollution, and disruption of infrastructure to the destruction of industrial facilities and more. As GACL is one of the leading forces in the Chemical Sector, the organisation has engineered strategic plans to ensure safety at all levels. The organisation undertakes continual improvement in its Health and Safety Management Systems. The organisation is committed to enhancing customer satisfaction at all times and ensuring a safer working environment and a cleaner and greener future for all.



Intervening for a brighter society with CSR



In order to create a sustainable change in society, it is imperative to take the community along. GACL is moving forward from Corporate Social Responsibility (CSR) and emerging as a Socially Responsible Corporate (SRC). The Organisation's approach to CSR is not just compliance but giving back to society in every way possible. To achieve this, GACL works in the areas of Healthcare, Hygiene, Education, Needs of Special Children, Sanitation, Sustainable Livelihood, Skill Development, Women Empowerment, Water and Environment Conservation and the promotion of Art, Culture and Heritage. Its CSR interventions and programs are aimed at bringing the much-deserved rural population into mainstream society. To realise this GACL aligns its programs with Government programs and initiatives and continuously strives toward a better world.

Shaping the future

Projects that will take the Company to new heights

105,000 TPA
Chloromethanes Plant,
Dahej



10,000 TPA
Hydrazine Hydrate Plant,
Dahej



33,870 TPA
Food Grade Phosphoric
Acid Plant, Dahej



Caustic Soda Expansion
from 785 TPD to
1310 TPD, Dahej



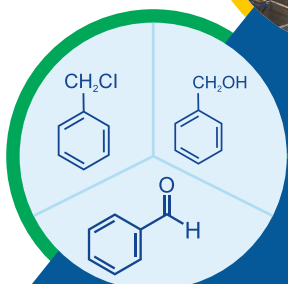
GNAL 800 TPD Caustic Soda Plant
integrated with a 130 MW
Coal based Power Plant, Dahej



Tank Farm, Dahej



Coming up 30,000 TPA
Chlorotoluenes Plant at Dahej



SETTING INDIGENOUS LANDMARKS

India's first indigenous
Hydrazine Hydrate



GACL and the Indian Institute of Chemical Technology (IICT), Hyderabad, have successfully bagged patents from India and the United States of America for an improved process for the manufacturing of Hydrazine Hydrate. Currently, India is importing all of its Hydrazine Hydrate from Europe and other countries. GACL's Hydrazine Hydrate is an import substitute product with world-class quality. It will help in reducing the country's dependency on imports, thereby saving valuable foreign exchange. It will also strengthen India's quest to become 'Atmanirbhar Bharat'.

Based on this indigenous and environment-friendly technology, GACL is setting up a commercial-scale plant at its Dahej site at an estimated cost of Rs.405 Crores to manufacture 10,000 MTA of Hydrazine Hydrate. Commercial production from this plant is expected in near future.



Promoting Green Technology

Gujarat Alkalies and Chemicals Limited

(An ISO Certified Company)

(Promoted by Govt. of Gujarat)

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