

**ANNUAL ACCOUNTS  
2016-17**

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

## **INDEPENDENT AUDITOR'S REPORT**

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

### **1. Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of GACL-NALCO Alkalies and Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other comprehensive income), the statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information,

### **2. Management's Responsibility for the Standalone Financial Statements**

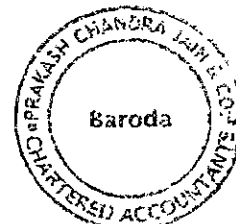
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial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

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

### **3. Auditor's Responsibility**

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

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



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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

#### **4. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31<sup>st</sup> March, 2017, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

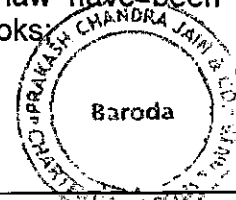
#### **5. Report on Other Legal and Regulatory Requirements**

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

2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



c) The Balance Sheet, the Statement of Profit and Loss, the statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

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

e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

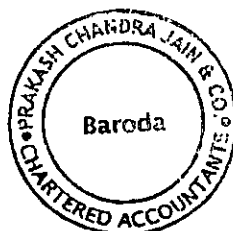
i. The Company does not have any pending litigations which would impact its financial position.

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


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

iv. The Company didn't had any holdings or dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 – Refer Note No.21

Place : Vadodara  
Date : 19.05.2017



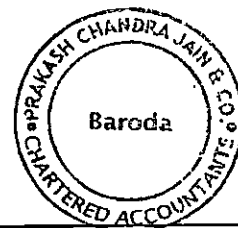
For Prakash Chandra Jain & Co.  
Chartered Accountants  
FRN-002438C

  
(Prateek Nalwaya)  
Partner  
Membership No. 414356

**Annexure "A" to the Auditors' Report**

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

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The company has a programme of physical verification of all its fixed assets over a period of one year, and no material discrepancies were noticed on such verification.
  - (c) The Company does not own any immovable property, therefore the provisions of clause i(c) are not applicable to the company
- (ii) The Company does not have any inventory, therefore the provisions of clause-3(ii) are not applicable to the company
- (iii) As explained to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act during the year. Accordingly the clauses 3(iii) (a), (b) & (c) of the Order are not applicable.
- (iv) The company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security during the year.
- (v) The company had not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions the Companies Act and the rules framed there under.
- (vi) There is no requirement to maintain cost records under section (1) of section 148 of the Companies Act, 2013.
- (vii) a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income tax, Sales-tax, Wealth Tax, Service Tax, Custom duty, Excise duty, value added tax, cess and other material statutory dues as applicable with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income tax, Sales-tax, Wealth Tax, Service Tax, Custom duty, Excise duty, value added tax, cess and other statutory dues outstanding as at 31.03.2017 for a period of more than six months from the date they became payable.



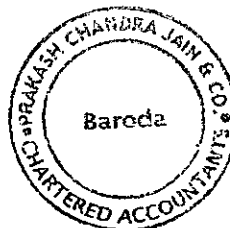
**Prakash Chandra Jain & Co.**


Chartered Accountants

74-76, Gayatri Chambers, R.C. Dutt Road,  
Alkapuri, Vadodara – 390005  
Ph: 91-265-2334365 Fax: 2331056  
Email: pcj\_ca@rediffmail.com  
Pcjo1982@yahoo.co.in

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

Place : Vadodara  
Date : 19.05.2017



For Prakash Chandra Jain & Co.  
Chartered Accountant  
FRN-002438C  
  
( Prateek Nalwaya )  
Partner  
M.No.- 414356

**Annexure - "B" to the Auditors' Report**

[Referred to paragraph 5(2)(f) of our audit report of even date]

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

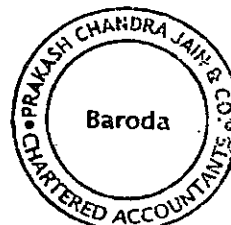
We have audited the internal financial controls over financial reporting of GACL-NALCO Alkalies and Chemicals Private Limited (The company) as of 31 March 2017 in conjunction with our audit report on the financial statements of the Company for the year ended and as on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

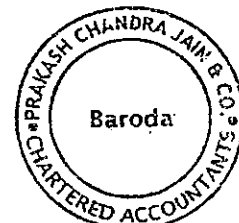
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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





Prakash Chandra Jain & Co.  
Chartered Accountants

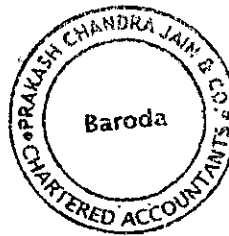
74-76, Gayatri Chambers, R.C. Dutt Road,  
Alkapuri, Vadodara – 390005  
Ph: 91-265-2334365 Fax: 2331056  
Email: pcj\_ca@rediffmail.com  
Pcjo1982@yahoo.co.in

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, 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.

Place : Vadodara

Date : 19.05.2017



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

A handwritten signature in black ink, appearing to read "Prateek Nalwaya".

(CA Prateek Nalwaya)  
Partner  
Membership No. : 414356

**GACL-NALCO Alkalies & Chemicals Private Limited**  
**Balance Sheet As At 31<sup>st</sup> March, 2017**

(Rs. In Lacs)

Particulars	Note No	As per Ind AS as at 31.3.2017	As per Ind AS as at 31.3.2016
<b>I. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	2	3.92	3.31
(b) Capital Work-in-progress	2	50.63	22.38
(c) Other Intangible Asset	3	0.52	-
<b>Total Non - Current Assets</b>		<b>55.07</b>	<b>25.69</b>
<b>(2) Current assets</b>			
(a) Financial Assets			
(i) Cash and cash equivalents	4	2,315.69	10.00
(ii) Bank Balance other than (i) above	5	277.94	-
(b) Other Current Assets	6	0.55	-
<b>Total Current Assets</b>		<b>2,594.18</b>	<b>10.00</b>
<b>Total Assets</b>		<b>2,649.25</b>	<b>35.69</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	7	500.00	10.00
(b) Share application money pending allotment	8	2,280.00	-
(c) Other Equity	9	(250.22)	(47.80)
<b>Total Equity</b>		<b>2,529.78</b>	<b>(37.80)</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	10	116.82	73.20
(b) Provisions	11	0.29	0.29
(c) Current Tax Liabilities (Net)	12	2.31	-
(d) Other Current Liabilities	13	0.05	-
<b>Total Current Liabilities</b>		<b>119.47</b>	<b>73.49</b>
<b>Total Liabilities</b>		<b>119.47</b>	<b>73.49</b>
<b>Total Equity and Liabilities</b>		<b>2,649.25</b>	<b>35.69</b>

Significant Accounting Policies and accompanying notes (1 to 22) form an integral part of financial statements.

For and on behalf of Board of Directors

*Mishra*  
(M V Mistry)  
Company Secretary

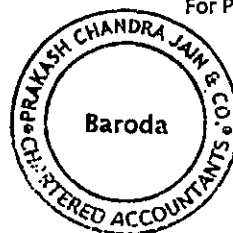
*Stene*  
(S K Jena)  
Chief Finance Officer

*Dash*  
(S K Dash)  
Director

*Pujara*  
(P G Pujara)  
Director

As per our report of even date attached.

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



*Nalwaya*  
(CA Prateek Nalwaya)  
Partner - M No.414356

Place: Vadodara  
Date: 19/05/2017

# GACL-NALCO Alkalies & Chemicals Private Limited

## Statement of Profit and Loss for the year ended on 31st March, 2017

(Rs. In Lacs)

Particulars	Note No	As per Ind AS for the year ended 31.3.2017	As per Ind AS at the end of previous period*
I Revenue from operations			
II Other Income	14	10.88	-
III Total Income (I +II)		10.88	-
IV Expenses			
Depreciation and amortization expense	15	0.38	0.11
Other Expenses	16	209.03	47.69
Total Expenses (IV)		209.41	47.80
V Profit before tax (III -IV)		(198.53)	(47.80)
VI Tax expense	17	3.40	
VII Profit for the period (V- VI)		(201.93)	(47.80)
VIII Other Comprehensive Income			
Total comprehensive income for the period (VII + VIII)		(201.93)	(47.80)
IX Earning per equity share (face value Rs.10/-each):			
(1) Basic (Rs.)	18	(6.66)	(2,180.66)
(2) Diluted (Rs.)			

Significant Accounting Policies and accompanying notes (1 to 22) form an integral part of financial statements.

\* Since the company has been incorporated on 4th December 2015, books of accounts are for the period from 4th December 2015 to 31st March 2016.

For and on behalf of Board of Directors

*M V Mistry*  
(M V Mistry)  
Company Secretary

*S K Jena*  
(S K Jena)  
Chief Finance Officer

*S K Dash*  
(S K Dash)  
Director

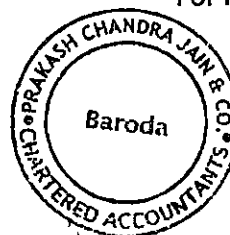
*P G Pujara*  
(P G Pujara)  
Director

As per our report of even date attached.

For Prakashchandra Jain & Co.

Chartered Accountants

FRN - 002438C



*Prateek Nalwaya*

( CA Prateek Nalwaya )  
Partner - M No.414356

Place: Vadodara  
Date: 19/05/2017

**GACL-NALCO Alkalies & Chemicals Pvt. Ltd.**  
**Cashflow Statement for the year 2016-17**

(Rs. In Lacs)

Figures as at end of the  
previous period \*

Particulars	Year Ended 31/03/2017		
<b>A. Cashflow from Operating Activities:</b>			
Net profit before tax	(198.53)		(47.80)
Adjustments for:			
Depreciation	0.38	0.11	
	<u>0.38</u>		<u>0.11</u>
Operating profit before working capital changes	(198.15)		(47.69)
Adjustments for :			
Receivables	(0.55)		
Payables	43.67	73.49	
TDS Receivable	(1.09)		
Interest Income	(10.88)		
	<u>31.15</u>		<u>73.49</u>
Net Cash generated from operations	(167.00)		25.80
<b>B. Cashflow from Investing Activities:</b>			
(Purchase)/Sale of Fixed Assets	(29.76)	(25.80)	
Interest Received	10.88	-	(25.80)
	<u>(18.88)</u>		
<b>C. Cashflow from Financing Activities:</b>			
Share Capital Issued	490.00		
Share Issue Expenses	(0.49)		
Share application money received	2,280.00	10.00	10.00
	<u>2,769.51</u>		
<b>D. Net changes in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>2,583.63</b>		<b>10.00</b>
<b>E. Cash &amp; Cash Equivalents - Opening Balance</b>	<b>10.00</b>		<b>-</b>
<b>F. Cash &amp; Cash Equivalents - Closing Balance (D+E)</b>	<u><b>2,593.63</b></u>		<u><b>10.00</b></u>

\* Since the company has been incorporated on 4th December 2015, cashflow statement is for the period from 4th December 2015 to 31st March 2016.

For and on behalf of Board of Directors

*M V Mistry*  
(M V Mistry)  
Company Secretary

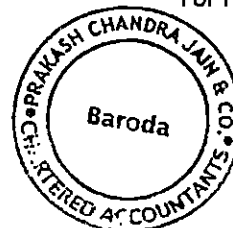
*S K Jena*  
(S K Jena)  
Chief Finance Officer

*S K Dash*  
(S K Dash)  
Director

*P G Pujara*  
(P G Pujara)  
Director

As per our report of even date attached.

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

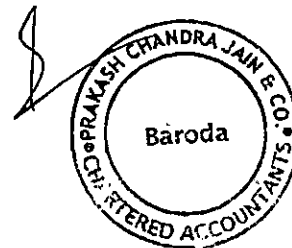


*Prateek Nalwaya*  
( CA Prateek Nalwaya )  
Partner - M No.414356

Place: Vadodara  
Date: 19/05/2017

Significant accounting policies are as per Annexure A

Carrying Amount of:	As at	As at
	31/03/2017	31/03/2016
Furniture & Fixtures	3.13	3.31
Computers & its Peripherals	0.79	-
	<u>3.92</u>	<u>3.31</u>
Capital work-in-progress	50.63	22.38
	<u>54.55</u>	<u>25.69</u>
	Furniture & Fixtures	Computers & its Peripherals
<b>Cost or Deemed Cost</b>		
Balance as on 31st March 2015	-	-
Additions	3.42	-
Balance as on 31st March 2016	<u>3.42</u>	-
Additions	0.16	0.82
Balance as on 31st March 2017	<u>3.58</u>	<u>0.82</u>
<b>Accumulated Depreciation and Impairment</b>		
Balance as on 31st March 2015	-	-
Depreciation expense	(0.11)	-
Balance as on 31st March 2016	<u>(0.11)</u>	-
Depreciation expense	(0.34)	(0.03)
Balance as on 31st March 2017	<u>(0.45)</u>	<u>(0.03)</u>
<b>Carrying Amount</b>		
Balance as on 31st March 2015	-	-
Additions	3.42	-
Depreciation expense	(0.11)	-
Balance as on 31st March 2016	<u>3.31</u>	-
Additions	0.16	0.82
Depreciation expense	(0.34)	(0.03)
Balance as on 31st March 2017	<u>3.13</u>	<u>0.79</u>



	As at 31/03/2017	As at 31/03/2016
Carrying Amount of:		
Accounting Software	0.52	-
	0.52	-
Capital work-in-progress	-	-
	0.52	-

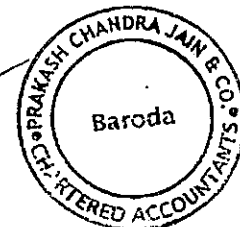
	Accounting Software
<b>Cost or Deemed Cost</b>	
Balance as on 31st March 2016	-
Additions	0.53
Balance as on 31st March 2017	0.53

<b>Accumulated Amortization and Impairment</b>	
Balance as on 31st March 2016	-
Amortization expense	(0.01)
Balance as on 31st March 2017	(0.01)

<b>Carrying Amount</b>	
Balance as on 31st March 2016	-
Additions	0.53
Amortization expense	(0.01)
Balance as on 31st March 2017	0.52

	As at 31/03/2017	As at 31/03/2016
Balance with Bank		
- In Current Account	2,284.72	-
- In the form of Fixed Deposits	30.87	-
Cash on Hand	0.10	10.00
	2,315.69	10.00

	As at 31/03/2017	As at 31/03/2016
Balance with bank		
- In the form of Fixed Deposit	277.94	-
	277.94	-
<b>Total Cash and Cash Equivalents as per Cashflow</b>		
Cash & cash equivalents	2,315.69	10.00
Other Bank Balances	277.94	-
	2,593.63	10.00



	As at 31/03/2017	As at 31/03/2016
<b>Current Assets:</b>		
Interest Receivable	0.55	-
	<u>0.55</u>	<u>-</u>

	Amount
Balance at 31/03/2016	10
Issue of right shares	490
Balance at 31/03/2017	<u>500</u>

	As at 31/03/2017	As at 31/03/2016
Equity Share Capital	500.00	10.00
	<u>500.00</u>	<u>10.00</u>
<b>Authorized Share Capital</b>		
10,00,00,000 shares of Rs. 10 each	10,000.00	100.00

**Issued and subscribed capital comprises of:**

50,00,000 shares of Rs. 10 each (For previous accounting period)	500.00	10.00
100,000 shares of Rs. 10 each		

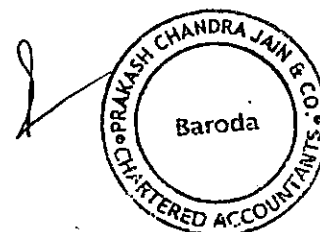
**Fully Paid Equity Shares**

	Share Capital	
	No. of Shares	Amount
Balance as on 31/03/2016	100,000	10.00
Additional issue of shares	4,900,000	490.00
Balance as on 31/03/2017	<u>5,000,000</u>	<u>500.00</u>

Fully paid equity share having par value of Rs. 10 each, carry one vote per share and carry a right to dividends.

**Details of number of shares held by Holding company, its subsidiaries and associates**

	<b>Fully paid ordinary shares (No's)</b>	
	As at	As at
	31/03/2017	31/03/2016
Gujarat Alkalies and Chemicals Limited, Holding Company	3,000,000	60,000



(Rs. In Lacs.)

**Details of shares held by each shareholder holding more than 5% shares in numbers and percentage**

	As at 31/03/2017		As at 31/03/2016	
	Number of shares held	% of holding of equity shares	Number of shares held	% of holding of equity shares
<b>Fully Paid Equity Shares</b>				
Gujarat Alkalies and Chemicals Limited	3,000,000	60%	60,000	60%
National Aluminum Co. Limited	2,000,000	40%	40,000	40%

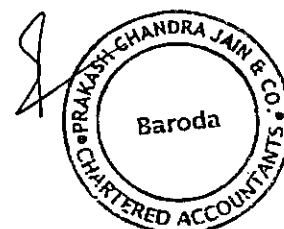
	As at 31/03/2017	As at 31/03/2016
Share Application money received pending allotment	2,280.00	-
	<u>2,280.00</u>	<u>-</u>

Letter of offer along composite share application form was issued to the existing promoter/ share holder of the company on 24/03/2017. The share application money is received against the same from one of the promoters as on 31/03/2017.

	Reserves & Surplus Retained Earnings
Balance as on 31/03/2016	(47.80)
Profit for the year	(201.93)
Share issue expenses	(0.49)
Balance as on 31/03/2017	<u>(250.22)</u>

	As at 31/03/2017	As at 31/03/2016
GACL	66.95	49.39
NALCO	47.99	23.02
Other Trade Payables	1.88	0.79
	<u>116.82</u>	<u>73.20</u>

	As at 31/03/2017	As at 31/03/2016
Statutory Audit Fees	0.29	0.29
	<u>0.29</u>	<u>0.29</u>





(Rs. In Lacs.)

**Table 12: Current Tax Assets and Liabilities**

	As at 31/03/2017	As at 31/03/2016
<b>Current Tax Assets</b>		
TDS Receivable	1.09	-
	<b>1.09</b>	<b>-</b>
<b>Current Tax Liability</b>		
Tax Payable	3.40	-
	<b>3.40</b>	<b>-</b>
<b>Current Tax Liability (Net)</b>	<b>2.31</b>	<b>-</b>

**Table 13: Statutory Dues Payable**

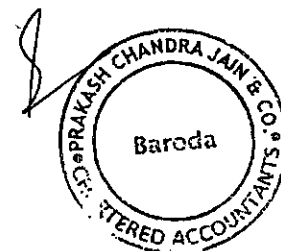
	As at 31/03/2017	As at 31/03/2016
Statutory Dues Payable	0.05	-
	<b>0.05</b>	<b>-</b>

**Table 14: Interest Income**

	Year Ended 31/03/2017	Year Ended 31/03/2016
<b>Interest Income</b>		
Interest Income earned on financial assets that are not designated as fair value through Profit and Loss Account		
Interest on Bank Deposits	10.88	-
	<b>10.88</b>	<b>-</b>

**Table 15: Depreciation and Amortization Expenses**

	Year Ended 31/03/2017	Year Ended 31/03/2016
<b>Depreciation on property, plant and equipment pertaining to continuing operations-</b>	0.37	0.11
<b>Amortization of Intangible assets</b>	0.01	-
	<b>0.38</b>	<b>0.11</b>



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Other Expenses

	Year Ended 31/03/2017	Year Ended 31/03/2016
Deputation Allowance	116.11	27.22
Travelling and Halting Expenses	8.57	13.48
Preliminary Exp. Written off	-	2.94
Environment clearance Exp.	-	2.95
Vehicle Running Expenses	1.07	-
Directors Sitting fees	0.95	0.40
Statutory Audit Fees	0.29	0.29
Other Expenses	82.04	0.41
	<b>209.03</b>	<b>47.69</b>

17

Tax Expense

	Year Ended 31/03/2017	Year Ended 31/03/2016
Tax Expense	3.40	-
	<b>3.40</b>	<b>-</b>

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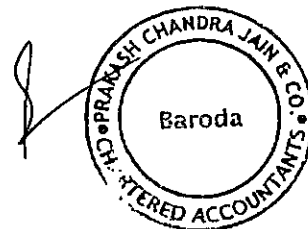
Earnings Per Share

	Year Ended 31/03/2017 Rs. Per share	Year Ended 31/03/2016 Rs. Per share
<b>Basic Earning Per Share</b>		
From Continuing Operations	(6.66)	(2,180.66)
From discontinuing Operations	-	-
<b>Total basic earning per share</b>	<b>(6.66)</b>	<b>(2,180.66)</b>

**Basic Earning per share**

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

	Year Ended 31/03/2017	Year Ended 31/03/2016
Profit for the year attributable to owners of the company	(201.93)	(47.80)
Dividends paid on convertible non-participating preference shares	-	-
<b>Earnings used in calculation of basic earning per share</b>	<b>(201.93)</b>	<b>(47.80)</b>
Profit for the year from discontinued operations attributable to owners of the company	-	-
<b>Earnings used in calculation of basic earning per share from continuing operations</b>	<b>(201.93)</b>	<b>(47.80)</b>



(Rs. In Lacs.)

	Year Ended	Year Ended
	31/03/2017	31/03/2016
	Quantities in Lacs	
Weighted Average number of shares for the purpose of basic earning per share	30.30	0.02

The company has not issued any convertible instruments, share options, warrants, or ordinary shares to be exercised upon satisfaction of specified condition hence there is no need to calculate Diluted EPS per share

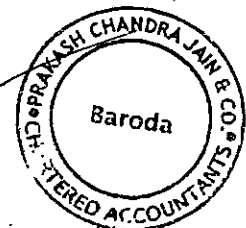
	As at	As at
	31/03/2017	31/03/2016
Estimated amount of contract remaining to be executed on capital account and not provided for	342.97	6.87

The details of transaction between the group and other related parties are as follows:

	Amount owed to related parties as at	
	31/03/2017	31/03/2016
Gujarat Alkalies and Chemicals Limited, Holding Company	66.95	49.39
National Aluminum Co. Limited, Investing Party/ Venturer	47.99	23.02

The remuneration and directors sitting fees of directors and key managerial personals during the year are as follows:

Name of Related Party	Year Ended	Year Ended	Nature of Transaction
	31/03/2017	31/03/2016	
Shri A M Tiwari, Chairman	-	0.05	Directors sitting fees and incidental expenses
Shri P K Gera, Chairman	0.25	0.05	
Shri S K Dash, Director	0.28	0.10	
Shri K N Ravindra, Director	0.18	0.10	
Shri S S Bhatt, Director	0.25	0.10	Deputation Allowance
Shri P G Pujara- Director	0.76	0.17	
Shri N B Tripathy- CFO	1.33	-	
Shri S K Jena- CFO	0.13	-	
Shri M V Mistry- CS	0.36	0.09	
<b>Total</b>	<b>3.54</b>	<b>0.66</b>	



(Rs. In Lacs.)

Particulars	SBN's	Other Denomination Notes	Total
Opening cash in hand as on 08.11.2016	NIL	NIL	NIL
(+) Permitted receipts	NIL	NIL	NIL
(-) Permitted payments	NIL	NIL	NIL
(-) Amount deposited in banks	NIL	NIL	NIL
Closing cash balance as on 31.12.2016	NIL	NIL	NIL

Overall principle the company has prepared the balance sheet as per Ind AS as of 31st March, 2017 by recognising all the assets and liabilities whose recognition is required by Ind AS, not recognising items of assets and liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However this principle is subject to certain exception and certain optional exception availed by the company as detailed below:

**Cost of Property, Plant and Equipment:**

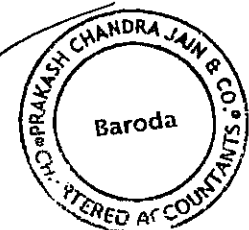
The Company has elected to continue with the carrying value of plant and equipments, recognised on 31<sup>st</sup> March, 2016 measured as per previous GAAP and use that carrying value as its deemed cost as of the transaction

Particulars	As at 31 <sup>st</sup> March, 2016 (Amount in Rs. Lacs)	
	(Date of transition)	( amount as reported in previous GAAP)
<b>Non Current Assets:</b>		
Fixed Assets		3.31
Capital work-in-progress		63.37
Other Non-Current Assets		2.94
<b>Current Assets:</b>		
Cash and Cash Equivalents		10
<b>Current Liabilities:</b>		
Other Current Liabilities		73.49
<b>Net</b>		<b>6.13</b>

The reconciliations of equity reported in accordance with previous GAAP to its equity in accordance with Ind ASs for both of the following dates:

**( i ) The date of transition to Ind ASs-**

The reconciliation as on the date of transition to Ind AS i.e. 01<sup>st</sup> April, 2015 is not applicable to company since the company is incorporated on 04<sup>th</sup> December, 2015.



(i) At the end of the latest period presented in the most recent annual financial statements:

(Rs. In Lacs)

**Effect of Ind AS adoption on Balance Sheet as at 31.03.2016**

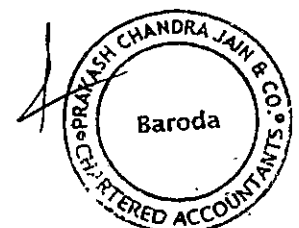
Particulars	As at 31/03/2016 (End of Last period presented under previous.GAAP)		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
<b>(1) Non-current assets</b>			
(a) Property, Plant and equipmen	3.31	-	3.31
(b) Capital work-in-progress	63.37	(40.99)	22.38
(c) Other non-current assets	2.94	(2.94)	-
<b>Total Non - Current Assets</b>	<b>69.62</b>	<b>(43.93)</b>	<b>25.69</b>
<b>(2) Current assets</b>			
(a) Financial Assets			
(i) Cash and cash equivalents	10.00	-	10.00
<b>Total Current Assets</b>	<b>10.00</b>	<b>-</b>	<b>10.00</b>
<b>Total Assets</b>	<b>79.62</b>	<b>(43.93)</b>	<b>35.69</b>

**II. EQUITY AND LIABILITIES**

<b>Equity</b>			
(a) Equity Share Capital	10.00	-	10.00
(b) Other equity	(3.87)	(43.93)	(47.80)
<b>Total Equity</b>	<b>6.13</b>	<b>(43.93)</b>	<b>(37.80)</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>	-	-	-
<b>Current Liabilities</b>			
(a) Other current liabilities	73.49	-	73.49
<b>Total Current Liabilities</b>	<b>73.49</b>	<b>-</b>	<b>73.49</b>
<b>Total Liabilities</b>	<b>73.49</b>	<b>-</b>	<b>73.49</b>
<b>Total Equity and Liabilities</b>	<b>79.62</b>	<b>(43.93)</b>	<b>35.69</b>

**Effect of Ind AS adoption on Profit and Loss Account for the year ended 31.03.2016**

Particulars	As at 31/03/2016 (End of Last period presented under previous GAAP)		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
Revenue from operations	-	-	-
Other Income	-	-	-
<b>Total Income (I)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenses</b>			
Depreciation and amortization expense	0.11	-	0.11
Other expenses	3.76	43.93	47.69
<b>Total Expenses (II)</b>	<b>3.87</b>	<b>43.93</b>	<b>47.80</b>
<b>Profit before tax (III= I- II)</b>	<b>(3.87)</b>	<b>(43.93)</b>	<b>(47.80)</b>
<b>Tax expense (IV)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit for the period (V= III-IV)</b>	<b>(3.87)</b>	<b>(43.93)</b>	<b>(47.80)</b>
<b>Total other comprehensive Income(VI)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period (V+VI)</b>	<b>(3.87)</b>	<b>(43.93)</b>	<b>(47.80)</b>



(Rs. In Lacs)

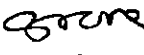
Effect of Ind AS adoption on Cash Flow for the year ended 31.03.2016

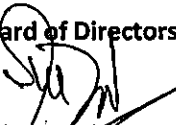
Particulars	As at 31/03/2016		
	(End of Last period presented under previous GAAP)		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
Net Cashflow from Operating Activity	66.79	(43.93)	22.86
Net Cashflow from Investing Activity	(66.79)	43.93	(22.86)
Net Cashflow from Financing Activity	10.00	-	10.00
Net increase (Decrease) in cash and cash equivalents	10.00	-	10.00
Cash and Cash Equivalent at the beginning of the period	-	-	-
Cash and Cash Equivalent at the End of the period	10.00	-	10.00

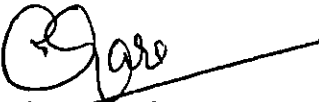
Earlier deputation expenses, travelling expenses and environment clearance were capitalized, but due to convergence to Ind AS, according to Ind AS 16, only directly attributable expense are to be capitalized and hence deputation expenses, travelling and halting expenses and environment clearance expense not directly related to project charged to profit and loss account. The preliminary expenses shown as other assets earlier has been charged to profit and loss account as per Para 69 (a) of Ind AS 38.

For and on behalf of Board of Directors

  
(M V Mistry)  
Company Secretary

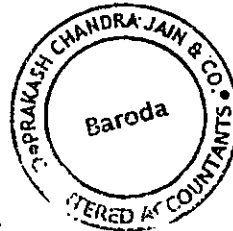
  
(S K Jena)  
Chief Finance Officer

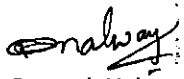
  
(S K Dash)  
Director

  
(P G Pujara)  
Director

As per our report of even date attached.

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



  
( CA Prateek Nalwaya )  
Partner - M No.414356

Place: Vadodara  
Date: 19/05/2017

## Significant Accounting Policies:

### I. General Information:

The address of the registered office and principal place of business are disclosed in the introduction to the annual report.

#### Statement of Compliance:

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

Upto the year ended 31.03.2016 the company prepared its financial statements in accordance with the requirement of previous GAAP, which includes standards notified under the Companies (Accounting Standards) Rules, 2006. These are the companies' first Ind AS financial statements. The date of transition to Ind AS is 01<sup>st</sup> April, 2015, but the company has been incorporated on 04<sup>th</sup> December, 2015.

#### Basis of preparation and presentation:

The financial statements are prepared on historical cost basis.

### II. Revenue Recognition:

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

#### Interest Income:

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on the time basis by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

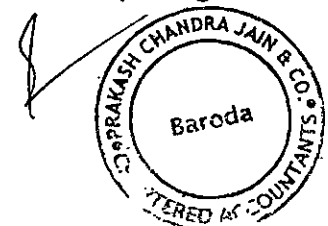
### III. Taxation:

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

### IV. Property, Plant and Equipment:

Furniture and Equipment are stated at cost less accumulated depreciation. Depreciation is recognised so as to write off cost of assets less their residual values over their useful life, using the straight line method. The estimated useful lives, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in the estimate accounted for on a prospective basis.

The estimated useful lives of the assets are as follows:



Furniture and Fixtures	-	5 to 15 years
Computers and its peripherals	-	5 years

#### V. Intangible Assets:

Intangible assets with finite useful life that are acquired separately are carried at cost less accumulated amortization. Amortization is recognised on straight line basis over their estimated useful lives. The estimated useful lives, residual value and amortization method are reviewed at the end of each reporting period, with the effect of any changes in the estimate accounted for on a prospective basis.

The estimated useful lives of intangible assets are as follow:

Accounting software	-	5 years
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#### VI. Provisions:

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

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 year, taking into the account the risk and uncertainties surrounding the obligations.

#### VII. Financial Instruments:

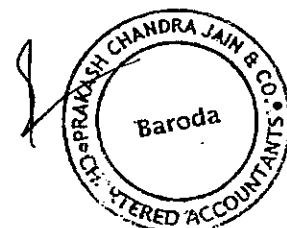
Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of the financial assets and liabilities are added to or deducted from the fair value of financial assets and liabilities, as appropriate, on initial recognition.

#### VIII. Financial Assets:

All regular way purchase or sale of financial assets is recognised on a trade date basis. Regular way purchase or sales are purchases or sale of financial assets that require delivery of asset within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.





## IX. Equity Instruments:

An Equity Instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liability. Equity Instruments issued by a company are recognised at the proceeds received, net of direct issue costs.

## X. First time adoption- mandatory exception, Optional exception:

Overall principle the company has prepared the balance sheet as per Ind AS as of 31<sup>st</sup> March, 2017 by recognising all the assets and liabilities whose recognition is required by Ind AS, not recognising items of assets and liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

However this principle is subject to certain exception and certain optional exception availed by the company as detailed below:

### Cost of Property, Plant and Equipment:

The Company has elected to continue with the carrying value of plant and equipments, recognised on 31<sup>st</sup> March, 2016 measured as per previous GAAP and use that carrying value as its deemed cost as of the transaction date.

Particulars	As at 31 <sup>st</sup> March, 2016 (Amount in Rs. Lacs) (Date of transition) ( amount as reported in previous GAAP)
<b>Non Current Assets:</b>	
Fixed Assets	3.31
Capital work-in-progress	63.37
Other Non-Current Assets	2.94
<b>Current Assets:</b>	
Cash and Cash Equivalents	10.00
<b>Current Liabilities:</b>	
Other Current Liabilities	73.49
<b>Net</b>	<b>6.13</b>

