

VIJAY L. VYAS
Practising Company Secretary

510, 'Yashkamal', Sayajiganj, Vadodara – 390020.

04th May 2021

To,
GACL – NALCO Alkalies & Chemicals Private Limited
GACL Corporate Building,
P.O Petrochemicals,
Vadodara – 391346,

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. Due to the current restrictions and conditions announced by the Government on account of Corona Pandemic the Company has provided scanned copies of 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. Reliance has been placed on the same for the purpose of the Secretarial Audit Report for the year 2020-21.
3. 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.
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



CS VIJAY L. VYAS
Practising Company Secretary

510, 'Yashkamal', Sayajiganj, Vadodara – 390020.

SECRETARIAL AUDIT REPORT

FORM NO. MR - 3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[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]

04th May, 2021

To,
The Members,
GACL-NALCO Alkalies & Chemicals Private Limited
VADODARA – 391346

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.

I have conducted verification & examination of records, as provided by the Company through email or in electronic mode, due to Covid-19 pandemic situation and following restrictions and guidelines issued by the Government, for the purpose of issuing this report.

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, 2021, 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, 2021 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;



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- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not applicable**
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not applicable**
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - **Not applicable**
 - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2015; - **Not applicable**
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not applicable**
 - 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;
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable**; and
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable**

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

- the Secretarial Standards issued by The Institute of Company Secretaries of India; and
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **The Company is not a listed entity, but the Company is a material subsidiary of Gujarat Alkalies and Chemicals Limited, a listed Company, w.e.f. 01st April, 2020 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)



A handwritten signature in black ink, appearing to be 'V' followed by a flourish.

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 made a Rights issue of the 9,00,00,000 equity shares and the 9,00,00,000 equity shares were allotted to the applicants / existing shareholders on 1st January, 2021;
- ii) at the Extra Ordinary General Meeting held on 30th November, 2020, the members have passed Special Resolutions under section 179 and section 180 of the Companies Act 2013 for increasing the borrowing powers to Rs.1610 crores and creation of mortgage/security for the increased borrowing limit. An Ordinary Resolution under sections 61 and 64 of the Act, for increasing the Authorised equity Share Capital to Rs.690,00,00,000/-, was also passed at the said EOGM;
- 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. **F001602C000232987**

Place : VADODARA
Date : 04th May, 2021

