

**Date: 2<sup>nd</sup> September, 2021**

To,

**The General Manager,**

**BSE Limited,**

**Phiroze Jeejeebhoy Towers**

**Dalal Street, Fort,**

**Mumbai 400 001**

**BSE Scrip Code: 500284**

**Sub: Regulation 30 and 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 -Submission of Notice and Annual Report of Lords Chloro Alkali Limited (the Company)**

Dear Sir,

Pursuant to Regulation 30 and 34(1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, please find enclosed herewith the copy of Annual Report along with the Notice for convening the **42<sup>nd</sup> Annual General Meeting of the Members of the Company** scheduled to be held on **Tuesday, 28<sup>th</sup> September, 2021 at 11.00 A.M.** at Registered Office at SP-460, Matsya Industrial Area, Alwar (Rajasthan)- 301030.

The Copy of the Annual Report is also available on the website of the Company i.e. [www.lordschloro.com](http://www.lordschloro.com)

Kindly take the above in your record.

Yours faithfully

**For Lords Chloro Alkali Limited**

  
**Rajiv Kumar**

**Compliance Officer**

**Encl: A/a**



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# **42<sup>nd</sup> Annual Report 2020-2021**

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**LORDS CHLORO ALKALI LIMITED**

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**Board of Directors**

Shri Rakesh Ahuja  
Shri Madhav Dhir  
Ms. Srishti Dhir  
Shri Ajay Virmani  
Shri Rajbir Singh Makhni  
Shri Pawan Kumar Nayyar  
Ms. Poonam Bisht  
Shri Rajendra Prasad Chauhan  
Shri Sandeep Singh  
Shri Deepak Mathur

Non-Executive Director  
Executive Director  
Non-Executive Director  
Managing Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director  
Director (Technical)

**Compliance Officer**

Shri Rajiv Kumar

**Statutory Auditors**

M/s. Gupta Vigg & Co.  
Chartered Accountants,  
E-61, Lower Ground Floor,  
Kalkaji, New Delhi-110019.

**Secretarial Auditor**

M/s. SSPK & Co.,  
Company Secretaries,  
09, SG Shopping Mall,  
DC Chowk, Sector 9, Rohini,  
New Delhi 110085

**Cost Auditors**

M/s Goyal, Goyal & Associates  
Cost Accountants  
G-14, Lower Ground Floor,  
Lajpat Nagar III, New Delhi – 110024

**Registrar & Share Transfer Agent**

M/s. Alankit Assignments Limited  
“Alankit Heights” (RTA Division),  
4E/2, Jhandewalan Extn.  
New Delhi – 110055  
Ph No: 011-42541234 & 23541234  
Fax No.: 011-41543474

**Registered Office & Plant**

SP-460, Matsya Industrial Area,  
Alwar, Rajasthan- 301030

**Corporate Office**

A-281, 1st Floor, Defence Colony,  
New Delhi-110024.

Ph. No.: 011-40239034/35

E-mail: [secretarial@lordschlo.com](mailto:secretarial@lordschlo.com)

Website: [www.lordschlo.com](http://www.lordschlo.com)

## About the Company

Lords Chloro Alkali Ltd. (LCAL) was incorporated in 1979 and got listed on BSE Limited in the year 1982. The Company is engaged in production of wide ranges of chemicals i.e. Caustic Soda, Chlorine, Hydrogen, HCL, Stable Bleaching Powder and Tri Chloro Ethylene, mainly catering to the markets in North India. LCAL is having an advanced technology plant situated at SP-460, Matsya Industrial Area, Alwar Rajasthan with the production capacity of 210 TPD. The Company is planning to enhance Caustic Soda capacity to 300 TPD in next year and also add chlorine derivatives in the current year.

The company is strategically located in North India. The demand for Caustic Soda and Chlorine, two major products of the Company, is more than the production in the region resulting in ready market for the Company offering opportunities for expansion. The shortfall in the region is met through material coming from western parts of India which has a higher logistics cost.

The major consuming sectors for LCAL are paper, soap, dyes, chemicals and plastic industries based in UP, Haryana, Rajasthan, Punjab & Delhi.

The Mission of the Company is to provide customer with high quality products and services through sustained good business practices, latest technology and ethical ways of manufacturing



## Managing Director's message

Dear Members,

In the beginning, I would like to pray for people who have suffered losses due to pandemic and wish for everyone to be safe and sound in future.

**“Teamwork is the ability to work together toward a common vision. It is the fuel that allows common people to attain uncommon results”**

It is a privilege for me to share my thoughts with you as your Company's Managing Director. The COVID-19 pandemic has caused pain and suffering for so many, and we have seen stark reminders of the serious social and environmental challenges demanding our collective actions. Through the year, our support to customers and communities in helping them emerge from the COVID pandemic remained unwavering. I am proud of the commendable efforts and character displayed by all the team members of Lords Chloro family. The company took timely and essential measures for well-being of its employees by implementing COVID preventive work practices and by ensuring vaccination of 100% staff and workers to handle the pandemic for any disruptions or any threat to health or life.

As an organization we have been constantly evolving, challenging ourselves to raise the bar on innovation and strengthening our core, to transform into a more agile and future-ready organization. We had started financial year 2021-22 with a very positive thought on growth and had planned for the execution of strategies to improve technology, environment, product range to bring in cost efficiency and better profitability but had to defer the plans due to the second wave of COVID pandemic and the resultant downturn in the economy. Your company will start implementing these plans from the fourth quarter of the current year and is looking forward to a great 2022-23 due to bounce back in the economy.

The company has already initiated the techno commercial study to increase capacity by 100 tpd and add chlorine derivatives. The projects will get started partially in this year and balance in the coming year. This will add significantly to the top and bottom line of your company.

The Global scenario has significantly improved after rapid vaccination in many countries. India is also witnessing a steep fall in cases and witnessing a very healthy growth in demand. The company is very confident of producing at full capacity in the year 21-22 with much better profitability. During the year company will also add Sodium Hypo to its product line. The work on Stable Bleaching Powder has also begun and the project will be started by the first quarter of next year. Company is closely watching the improving state of economy and will take further expansion and product decisions during the year.

We also remain committed to ensure the highest standards of corporate governance in true spirit.

On behalf of the Board, I would like to thank all our customers, suppliers, Bankers and the government for their support to the Company. I convey my sincere appreciation to Team Lords Chloro Alkali Limited for its performance and thank all the shareholders for their trust reposed in us.

With Warm Regards  
Ajay Virmani  
Managing Director

## NOTICE

**NOTICE** is hereby given that the 42<sup>nd</sup> Annual General Meeting of the Members of **LORDS CHLOROALKALI LIMITED** will be held on Tuesday, 28<sup>th</sup> September, 2021 at 11.00 A.M. at Registered Office at SP-460, Matsya Industrial Area, Alwar (Rajasthan) - 301030 to transact the following businesses:

### **ORDINARY BUSINESSES:**

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on 31<sup>st</sup> March, 2021 and the reports of the Board of Directors and Auditors thereon.
2. To consider and approve appointment of Auditors and fix their remuneration and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) approval of the Members of the Company be and is hereby accorded to appoint M/s Nemani Garg Agarwal & Co., Chartered Accountants (Registration No. 010192N) as Statutory Auditors of the Company, in place of retiring auditors M/s. Gupta Vigg & Co., Chartered Accountants (FRN:001393N), to hold office for a period of five years from the conclusion of 42<sup>nd</sup> Annual General Meeting till the conclusion of the 47<sup>th</sup> Annual General Meeting of the Company, for audit of financial statements, at such remuneration, reimbursement of out-of-pocket expenses, travelling and other expenses incurred in connection with audit to be carried out by them, as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### **SPECIAL BUSINESSES:**

3. To not to appoint any Director in place of Shri Rakesh Ahuja (DIN: 00224315), a Director is liable to retire by rotation, he has not offered himself for re-appointment.

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

**“RESOLVED THAT** Shri Rakesh Ahuja (DIN: 00224315), Non-Executive Director of the Company, Director is liable to retire by rotation. He has not offered himself for re-appointment, accordingly he not be re-appointed as a Director of the Company and no Director be appointed in his place.”

4. **To consider and approve the payment of remuneration to Shri Madhav Dhir (DIN: 07227587), Whole Time Director of the Company.**

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

**“RESOLVED THAT** subject to the provisions of Section 197 and 198 of the Companies Act, 2013 ( “the Act”) and rules made thereunder read with Schedule-V of the Act (including any statutory modifications or re-enactment thereof for the time being in force) and other applicable provisions of the Act, Articles of Association of the Company, subject to approval of any other authorities, if required, and as per the recommendation of Nomination & Remuneration Committee, consent of the members be and is hereby accorded for the payment of remuneration of Rs. 36,00,000/- (Rupees Thirty Six Lakhs) per annum (Rupees 3,00,000/- per month) to Shri Madhav Dhir (DIN: 07227587), Whole Time Director of the Company by way of salary and reimbursement of Rs. 20,000/- per month for conveyance or such remuneration not exceeding Rs. 5,00,000/- per month, as may be approved by the Board of Directors of the Company for a period of 3 years w.e.f. 1<sup>st</sup> April, 2021.

**RESOLVED FURTHER THAT** in the event of Company having no profit or inadequacy of profit in any financial year, during the tenure of Shri Madhav Dhir as Whole Time Director of the Company, the aforesaid remuneration shall be paid as the minimum remuneration payable to him subject to the provisions and necessary approvals in accordance with the limits prescribed in Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as in its absolute discretion it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or as may be otherwise considered by the Board to be in the best interest of the Company.”

5. **To appoint Ms. Srishti Dhir (DIN: 06496679) as Director of the Company**

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

**“RESOLVED THAT** pursuant to Section 161(1) of the Companies Act, 2013, **Ms. Srishti Dhir (DIN: 06496679)** who was appointed as an Additional Director of the Company with effect from 23<sup>rd</sup> August 2021

by the Board of Directors and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, whose period of office shall be reckoned as a Director for the purpose of determining the rotation of retirement of Directors.”

**6. To re-appoint and payment of remuneration to Shri Deepak Mathur (DIN: 07092786), as Director (Technical) of the Company**

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

“**RESOLVED THAT** subject to the provisions of Section 197, 198 of the Companies Act, 2013 and rules made thereunder read with Schedule-V of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), subject to approval of any other authorities, if required, and as recommended by Nomination and Remuneration Committee, consent of the members of the Company be and is hereby accorded for re-appointment of Shri Deepak Mathur as Director (Technical) and Occupier of the factory for a further period of 3 years w.e.f. 19<sup>th</sup> February, 2021 with a payment of remuneration upto Rs. 40 lacs per annum (Rs. 3.33 lacs per month) (CTC) inclusive of all perquisites and allowances as approved by the Board of Directors.

**RESOLVED FURTHER THAT** in the event of Company having no profit or inadequacy of profit in any financial year, during the tenure of Shri Deepak Mathur as Director (Technical) of the Company, the aforesaid remuneration may be paid as the minimum remuneration payable to him subject to the provisions and necessary approvals in accordance with the limits prescribed in Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as in its absolute discretion it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or as may be otherwise considered by the Board to be in the best interest of the Company.”

**7. To ratify the remuneration of the Cost Auditors for the Financial Year 2021-22.**

To consider and, if thought fit, with or without modification to pass the following resolution proposed as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions under Section 148 and all other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Members of the Company be and is hereby accorded for ratification of remuneration, as approved by the Board of Directors and set out in the statement annexed to the notice, to be paid to the Cost Auditors M/s. Goyal, Goyal & Associates appointed by the Board of Directors at their meeting held on 23<sup>rd</sup> August, 2021 to conduct the audit of the cost records of the company for the Financial Year 2021-22.”

**For and on behalf of the Board  
For Lords Chloro Alkali Limited**

**Place: New Delhi  
Date: 23<sup>rd</sup> August, 2021**

**Ajay Virmani  
Managing Director  
DIN: 00758726**

**NOTES:**

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, in respect of the special businesses to be transacted at the meeting under Item No. 3 to 7 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxy Form should be lodged with the Company at the registered office not later than 48 hours before the commencement of the above meeting i.e. by 11:00 A.M. of 28<sup>th</sup> September, 2021.  
  
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate Members intending to send their authorised representative to attend the meeting are requested to send a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act, 2013, authorising their representative to attend & vote on their behalf at the AGM.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the meeting, only such joint holder whose name is higher in the order of names will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 25<sup>th</sup> September, 2021 to Tuesday, 28<sup>th</sup> September, 2021 (both days inclusive).
7. The information about the Director, proposed to be appointed / reappointed as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed to this Notice.
8. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the

Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the company. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the Company on all working days except Saturdays & Sundays of the Company between 11:00 a.m. and 1:00 p.m. upto the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting.

9. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 ('Act') and the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, will be available for inspection by the members at the Meeting.
10. The Members are requested to notify promptly any change in their address to the Company's Registrar and Transfer Agent, M/s. Alankit Assignments Ltd. (RTA).
11. Pursuant to section 72 of the Companies Act, 2013, members holding shares in physical forms may file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in electronic / demat form, nomination form may be filed with the respective Depository Participants (DP).
12. 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 the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Transfer Agent (RTA), M/s. Alankit Assignments Ltd.
13. Pursuant to the Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Press Release No. 12/2019 issued by SEBI on 27<sup>th</sup> March, 2019, no physical shares are allowed to be transferred (except in case of transmission or transposition of Shares) unless the securities are held in the dematerialized form w.e.f. 1<sup>st</sup> April, 2019. Accordingly, Shareholders holding shares in physical form are requested to dematerialize their shareholding in the Company to avoid hassle in transfer of shares.
14. In compliance with MCA Circular dated 13th January, 2021 read with SEBI Circulars dated 15th January, 2021 and Circular dated 12th May

2020, Notice of the AGM along with the Annual Report 2020- 21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members whose email is not registered may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.lordschloro.com, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com respectively.

15. **Voting through electronic means**

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on 24th September, 2021 at 9:00 A.M. and ends on 27th September, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 21st September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 21<sup>st</sup> September 2021.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular 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 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select <b>“Register Online for IDeAS Portal”</b> or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon <b>“Login”</b> which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center; margin-top: 10px;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p><b>App Store</b></p> </div> <div style="text-align: center;">  <p><b>Google Play</b></p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> </div>

Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their 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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period

**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.

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

Login type	Helpdesk details
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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 <a href="mailto:helpdesk.evoting@cDSLindia.com">helpdesk.evoting@cDSLindia.com</a> or contact at 022- 23058738 or 022-23058542-43
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**B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.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, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period Now you are ready for e-Voting as the Voting page opens.
3. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
4. Upon confirmation, the message “Vote cast successfully” will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [awanishcorporate@gmail.com](mailto:awanishcorporate@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Ms Soni Singh, Assistant Manager) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [secretarial@lordschloro.com](mailto:secretarial@lordschloro.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [secretarial@lordschloro.com](mailto:secretarial@lordschloro.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### **Other Instructions**

- I. The e-voting period commences on Friday, 24<sup>th</sup> September, 2021 (9.00 A.M. IST) and ends on Monday, 27<sup>th</sup> September, 2021 (5.00 P.M. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday, 21<sup>st</sup> September, 2021 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.
- II. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the

cut-off date Tuesday, 21<sup>st</sup> September, 2021 only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through electronic voting system or poll paper.

- III. Any person, who acquires shares of the Company and become member of the Company after email of the notice and holding shares as of the cut-off date i.e. Tuesday, 21<sup>st</sup> September, 2021, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or the Company/Registrar and Share Transfer Agent. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
  - IV. Shri Awanish K. Dwivedi (C.P. No 9080), proprietor of M/s Awanish Dwivedi & Associates, Company Secretaries, New Delhi has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  - V. The Scrutinizer shall after the conclusion of voting at the general meeting, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make, not later than 48 Hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - VI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.lordschloro.com](http://www.lordschloro.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
16. A route map to the venue of the Annual General Meeting is annexed

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 SETTING OUT MATERIAL FACTS IS ANNEXED HERETO.**

**ITEM NO. 2**

Though not statutorily required, the explanatory statement to this item is being provided as additional information to the members.

Pursuant to the provisions of section 139 of the Companies Act, 2013, an audit firm can act as auditors for a maximum tenure of two terms of 5 consecutive years. M/s. Gupta Vigg & Co., Chartered Accountants (FRN:001393N), the existing Statutory Auditors of the Company were first appointed as auditors at 32<sup>nd</sup> Annual General Meeting held on 21<sup>st</sup> November, 2011. Further, they were appointed as Auditors of the Company in 37<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2016 by the Members to hold office till the conclusion of the 42<sup>nd</sup> Annual General Meeting to be held in the Year 2021. Existing auditor's firm will complete their second tenure as Statutory Auditors of the Company after conclusion of this AGM. Therefore, the Company is required to appoint new audit firm after retirement of existing auditor's in consonance with the provisions of the Company Act, 2013.

At the Meeting held on 23<sup>rd</sup> August, 2021, the Board of Directors, on the recommendation of the Audit Committee, had recommended the appointment of M/s. Nemani Garg Agarwal & Co. (FRN – 010192N) as Statutory Auditors of the Company, in place of retiring existing Statutory Auditors M/s. Gupta Vigg & Co., Chartered Accountants (FRN:001393N), to hold office from the conclusion of 42<sup>nd</sup> Annual General Meeting till the conclusion of the 47<sup>th</sup> AGM, on remuneration to be fixed by the Board of Directors.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

Hence, your Directors recommend you to pass the proposed resolution as mentioned in item no. 2 of the notice, as an Ordinary Resolution.

**ITEM NO. 3**

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, Shri Rakesh Ahuja (DIN: 00224315), a Director is liable to retire by rotation at the ensuing Annual General Meeting and he has not offered himself for his re-appointment.

Shri Rakesh Ahuja, has been on the Board of the Company since 28th March, 2005. The Board places on record their sincere appreciation and recognition of

the valuable contribution and services rendered by Shri Rakesh Ahuja during his tenure as a Director on the Board of the Company. The Board proposes not to appoint any Director in place of Shri Rakesh Ahuja.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

Hence, your Directors recommend you to pass the proposed resolution as mentioned in item no. 3 of the notice, as an Ordinary Resolution.

#### **ITEM NO. 4**

Shri Madhav Dhir (DIN: 07227587) was re-appointed as Whole-time Director w.e.f 1<sup>st</sup> June, 2019 for a further period of 5 years and approved by the shareholders in their 40<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2019 by ordinary resolution on a remuneration of Rs. 36,00,000/- (Rupees Thirty Six Lakhs) per annum (Rupees 3,00,000/- per month) by way of salary plus reimbursement of Rs. 20,000/- per month for conveyance or such remuneration not exceeding Rs. 5,00,000/- per month, as may be approved by the Board of Directors of the Company.

Pursuant to section 197 of the Companies Act, 2013 (the Act), total managerial remuneration payable by the Company to its Directors including Managing Director and Whole-time Director(s) shall not exceed 11% of the net profits of the Company in any Financial Year. Further, the remuneration payable to any one Managing Director; or Whole-time Director shall not exceed 5% of the net profits of the Company and if there is more than one such Director remuneration shall not exceed 10% of the net profits to all such directors taken together except with the approval of the Company in general meeting by passing a special resolution as per the provisions of Schedule V of the Act.

Therefore, in the event of Company having no profit or inadequacy of profit in any financial year, Company may pay the above said remuneration subject to the approval of members in the general meeting as per the provisions of Schedule V of the Act. Such approval shall be applicable for three years.

As recommended by the Nomination and Remuneration Committee and subject to the approval of members of the Company in their general meeting by special resolution, it is proposed to pay to Shri Madhav Dhir a remuneration of Rs. 36,00,000/- (Rupees Thirty Six Lakhs) per annum (Rupees 3,00,000/- per month) by way of salary plus reimbursement of Rs. 20,000/- per month for conveyance or such remuneration not exceeding Rs. 5,00,000/- per month, as may be approved by the Board of Directors of the Company.

Shri Madhav Dhir, aged 29 years, has a Master's Degree in Economics and Strategy for Business from the prestigious Imperial College London and has

completed his B.Sc (Hons) Management from University of Warwick (UK). He has also completed LLB from India. He is having expertise in strategy and management and advises the management of the Company on all strategic matters relating to existing and future business of the Company. He has been associated with the Company as a Director since 9<sup>th</sup> November, 2015 and appointed as Whole Time Director w.e.f. 1<sup>st</sup> June, 2016 and in this capacity, he works closely with Managing Director and is part of the decision making of Lords Chloro Alkali Limited. He is actively involved in the secretarial, finance, production and marketing department of the Company. He has contributed substantially in increasing the production capacity of the Company. Under his dynamic leadership and guidance Company will move forward in the right direction.

The details of remuneration drawn and Board meetings attended by him during the financial year are provided at appropriate place in the Board Report. Shri Madhav Dhir holds 73,84,582 equity shares in the Company and is the brother of Ms. Srishti Dhir, who was appointed as an Additional Non-Executive Director on the Board of the Company, w.e.f. 23<sup>rd</sup> August, 2021. He has attended all the Board meetings held during the year 2020-21.

Further, Shri Madhav Dhir is not a Director of any other listed entity and details of other entities in which he holds Directorship, Chairmanship / Membership of Committees of their Board are as follows:

S. No.	Name of the Companies	Position held	Name of the Committees of the Board	Chairman/ Member
1	Entry India Projects Private Limited	Director	-	-
2	Hub And Oak Accelerator Private Limited	Director	-	-
3	Turquoise Metals and Electricals Private Limited	Director	-	-
4	Cirrus Chemicals Private Limited	Director	-	-
5	Aquamarine Synthetics and Chemicals Private Limited	Director	-	-
6	Triton Projects India Private Limited	Director	-	-
7	DestinationIndiaProjects Private Limited	Director	-	-

S. No.	Name of the Companies	Position held	Name of the Committees of the Board	Chairman/ Member
8	Cygnets Projects Private Limited	Director	-	-
9	Sri Parthasarathy Infrastructure Private Limited	Director	-	-
10	Ammadoes Trading and Consultants Private Limited	Director	-	-
11	Acorn Global Investments Limited	Director	-	-
12	Dhir Chemicals Private Limited	Director	-	-
13	Dhir Hotels & Resorts Private Limited	Director	-	-
14	Japa Arts Private Limited	Director	-	-
15	Dhir E-Commerce Private Limited	Director	-	-
16	Swadesi Launchpad Private Limited	Director	-	-
17	Monet Exports Private Limited	Director	-	-
18	Dhir Investment Advisors Private Limited	Director	-	-

In this regard, the details under Section-II of Part-II of Schedule – V of the Companies Act, 2013, required for the resolutions mentioned in item No. 4 of the Notice, the following information is furnished below for resolution No. 4

**I. General information:**

- (1) Nature of Industry:** Company is engaged in manufacturing of Caustic Soda, Liquid Chlorine, Stable Bleaching Powder, Hydrochloric Acid, Trichloroethylene and Hydrogen Gas.
- (2) Date of Commencement of Commercial Production:** The Company commenced production of Caustic Soda in April, 1983 with a capacity of 125 tonnes per day.

**(3) Financial Performance:**

(Rs. In Lakhs)

Year	2020-21	2019-20	2018-19	2017-18
Sales	15,410.12	20,368.88	25,113.56	16,594.74
Net Profit/ (Loss)	(204.09)	1,030.02	2,298.92	847.25

**(4) There is no foreign collaboration in the Company.****II. Information about the appointee:****1. Background Details:**

Shri Madhav Dhir, aged 29 years, has a Master's Degree in Economics and Strategy for Business from the prestigious Imperial College London and has completed his B.Sc (Hons) Management from University of Warwick (UK). He has also completed LLB from India. He is having expertise in strategy and management and advises the management of the Company on all strategic matters relating to existing and future business of the Company.

**2. Past Remuneration:**

Rs. 36,00,000/- (Rupees Thirty Six Lakhs) per annum (Rupees 3,00,000/- per month) by way of salary plus reimbursement of Rs. 20,000/- per month for conveyance w.e.f. 1<sup>st</sup> June, 2019 or such remuneration not exceeding Rs. 5,00,000/- per month as may be approved by the Board of Directors of the Company.

**3. Recognition or Award:**

He is widely recognized as a dynamic professional and is responsible for the growth and progress of the Company.

**4. Job profile and his suitability:**

He is having expertise in strategy and management and advises the management of the Company on all strategic matters relating to existing and future business of the Company. He has been associated with the Company as a Director since 9<sup>th</sup> November, 2015 and appointed as Whole Time Director w.e.f. 1<sup>st</sup> June, 2016 and in this capacity, he works closely with Managing Director and is part of the decision making of Lords Chloro Alkali Limited. He is actively involved in the secretarial, finance, production and marketing department of the Company. He has contributed substantially in increasing the production capacity of the Company. Under his dynamic leadership and guidance Company will move forward in the right direction.

**5. Remuneration proposed**

The details of remuneration proposed to be paid to Shri Madhav Dhir as Whole Time Director of the Company are furnished in the resolution proposed for member's approval under Item No. 4 to this Notice.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)**

The prevalent level remuneration in Chemicals Industries is higher. Taking into account the academic background, qualification and experience of Shri Madhav Dhir as Whole Time Director of the Company, his invaluable contribution to the Company, his vital role, the proposed remuneration to the appointee is reasonable.

**7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Shri Madhav Dhir as Whole Time Director has no pecuniary relationship with the Company or Key Managerial Personnel of the Company or their relatives (except to the extent of the remuneration received/receivable from the Company as Whole Time Director).

**(III) Other Information:****1. Reasons of loss or inadequacy of profit**

The year started with COVID-19 pandemic as a global challenge and the year seen decline in Caustic Soda price realization due to slow economic conditions and COVID-19 in the year end. Slowdown in the manufacturing sector and supply rate hugely impacted the revenue of the Company during the year under review.

**2. Steps taken or proposed to be taken for improvement**

The Company has increased its production capacity to 210 TPD. Now all the electrolyzers are based on new technology which is more reliable, energy efficient and has made the company to stay in the market.

**3. Expected increase in productivity and profits in measurable terms**

Company has a plan to increase the Caustic soda capacity to 300 TPD in near future. Further your Company is also working on few new

products for captive consumption of Chlorine for which environment clearance has already been taken. Company actively considering to come up with captive chlorine consumption plant next year.

#### **IV. Disclosures**

The prevalent level remuneration in Chemicals Industries is higher. Taking into account the academic background, qualification and experience of Shri Madhav Dhir as Whole Time Director of the Company, his invaluable contribution to the Company, his vital role, the proposed remuneration to the appointee is reasonable.

The relevant disclosures are given in Corporate Governance Part of Directors Report.

Except Ms. Srishti Dhir, who is the sister of Shri Madhav Dhir, none of the other Directors and Key Managerial Personnel of the Company in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice. Above may also be treated as an abstract of the terms and conditions governing the remuneration of the Whole Time Director pursuant to Section 197 and 203 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.

Hence, your Directors recommend you to pass the proposed resolution as mentioned in Item No. 4 of the notice, as a Special Resolution.

#### **ITEM NO. 5**

The Board of Directors at their meeting held on 23<sup>rd</sup> August, 2021 appointed Ms. Srishti Dhir as an Additional Non-Executive Director of the Company w.e.f. 23<sup>rd</sup> August 2021. Pursuant to Section 161(1) of the Companies Act, 2013, Ms. Srishti Dhir shall hold the office only upto the date of this AGM of the Company.

A notice in writing received from the Member signifying intention to appoint Ms. Srishti Dhir as Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.

Ms. Srishti Dhir has a Masters Degree from London Business School and a B.A. LL.B qualification from Warwick University and has also completed LL.M Degree from India. She has been involved with financial services including acquisition and restructuring of businesses and is president of Alchemist ARC. She is a serial entrepreneur and had established 'Hub & Oak' a well-established co-working entity in India; 'Book Office' Now a co-working aggregator platform, 'Better Burger' a cloud kitchen and is an expert in Marketing and Management.

Except Shri Madhav Dhir, who is brother of Ms. Srishti Dhir, none of the other Directors and Key Managerial Personnel of the Company in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Hence, your Directors recommend you to pass the proposed resolution as mentioned in Item No. 5 of the notice, as an Ordinary Resolution.

#### **ITEM NO. 6**

Shri Deepak Mathur is a Chemical Engineer and having 36 years' experience in chemical industry. He was working as a Director (Technical) in the Company w.e.f. 19th February, 2015 for a period of three years. Further, he was re-appointed for a term of three years w.e.f. 19th February, 2018 and duly approved by members in their Annual General Meeting held on 27<sup>th</sup> September, 2018.

Pursuant to section 196, 197 read with Schedule V of the Companies Act, 2013 and as per the recommendation of Nomination and Remuneration Committee, the Board of Directors had re-appointed Shri Deepak Mathur as Director (Technical) on the Board of the Company for further period of three years w.e.f. 19<sup>th</sup> February, 2021 subject to the approval of the Members by Special Resolution, subject to approval of any other authorities, if required, on a remuneration upto Rs. 40 lacs (Rs. 3.33 lakhs per month) (CTC) inclusive of all perquisites and allowances as approved by the Board of Directors.

Shri Deepak Mathur, Chemical Engineer, having 36 years' experience in manufacturing, project, & engineering operations. He is a high caliber professional is ideally suited for this position since as a Chemical Engineer and having vast experience in chemical Company, he is fully equipped to facilitate the operation of the Company due to his vital experience in the industry.

Shri Deepak Mathur is not on the Board of any other Company and any committee(s) of other Company. He is completely devoting his time to this Company only. He has no shareholding in this Company. He has attended 5 (five) Board meetings during the year 2020-21. He has no relationship with other Directors, Manager and other Key Managerial Personnel of the Company.

**In this regard, the details under Section-II of Part-II of Schedule – V of the Companies Act, 2013, required for the resolutions mentioned in item No. 6 of the Notice, the following information is furnished below for resolution No. 6**

#### **I. General information:**

- (1) **Nature of Industry:** Company is engaged in manufacturing of Caustic Soda, Liquid Chlorine, Stable Bleaching Powder, Hydrochloric Acid, Trichloroethylene and Hydrogen Gas.

- (2) **Date of Commencement of Commercial Production:** The Company commenced production of Caustic Soda in April 1983 with a capacity of 125 tonnes per day.

- (3) **Financial Performance:**

(Rs. In Lakhs)

Year	2020-21	2019-20	2018-19	2017-18
Sales	15,410.12	20,368.88	25,113.56	16,594.74
Net Profit/ (Loss)	(204.09)	1,030.02	2,298.92	847.25

- (4) **There is no foreign collaboration in the Company.**

## II. Information about the appointee:

### 1. **Background Details:**

Shri Deepak Mathur is a Chemical Engineer and having 36 years' experience in chemical industry. He was working as a Director (Technical) in the Company w.e.f. 19th February, 2015 for a period of three years. Further, he was re-appointed for a term of three years w.e.f. 19th February, 2018 and duly approved by members in their Annual General Meeting held on 27th September, 2018.

### 2. **Past Remuneration:**

On a remuneration upto Rs. 40 lacs per annum (Rs. 3.33 lakhs per month) (CTC) inclusive of all perquisites and allowances as approved by the Board of Directors.

### 3. **Job profile and his suitability:**

Shri Deepak Mathur, Chemical Engineer, having 36 years' experience in manufacturing, project, & engineering operations. He is a high caliber professional is ideally suited for this position since as a Chemical Engineer and having vast experience in chemical Company, he is fully equipped to facilitate the operation of the Company due to his vital experience in the industry.

### 4. **Remuneration proposed**

The details of remuneration proposed to be paid to Shri Deepak Mathur as Director (Technical) of the Company are furnished in the resolution proposed for member's approval under Item No. 6 of this Notice.

- 5. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)**

The prevalent level remuneration in Chemicals Industries is higher. Taking into account the academic background, qualification and experience of Shri Deepak Mathur as Director (Technical) of the Company, his invaluable contribution to the Company, his vital role, the proposed remuneration to the appointee is reasonable.

- 6. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Shri Deepak Mathur as Director (Technical) has no pecuniary relationship with the Company or Key Managerial Personnel of the Company or their relatives (except to the extent of the remuneration received/receivable from the Company as Director (Technical)).

**(III) Other Information:**

- 1. Reasons of loss or inadequacy of profit**

The year started with COVID-19 pandemic as a global challenge and the year seen decline in Caustic Soda price realization due to slow economic conditions and COVID-19 in the year end. Slowdown in the manufacturing sector and supply rate hugely impacted the revenue of the Company during the year under review.

- 2. Steps taken or proposed to be taken for improvement**

The Company has increased its production capacity to 210 TPD. Now all the electrolyzers are based on new technology which is more reliable, energy efficient and has made the company to stay in the market.

- 3. Expected increase in productivity and profits in measurable terms**

Company has a plan to increase the Caustic soda capacity to 300 TPD in near future. Further your Company is also working on few new products for captive consumption of Chlorine for which environment clearance has already been taken. Company actively considering to come up with captive chlorine consumption plant next year.

**IV. Disclosures**

The prevalent level remuneration in Chemicals Industries is higher. Taking into account the academic background, qualification and experience of Shri Deepak Mathur as Director (Technical) of the Company, his invaluable

contribution to the Company, his vital role, the proposed remuneration to the appointee is reasonable.

The relevant disclosures are given in Corporate Governance Part of Directors Report.

None of the other Directors and Key Managerial Personnel of the Company in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice. Above may also be treated as an abstract of the terms and conditions governing the remuneration of the Director (Technical) pursuant to Section 197 and 203 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.

Hence, your Directors recommend you to pass the proposed resolution as mentioned in Item No. 6 of the notice, as a Special Resolution.

#### **ITEM NO.7**

The Board of Directors, on the recommendation of the Audit Committee, had approved the appointment & remuneration of the Cost Auditor M/s. Goyal, Goyal & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year 2021-22 at a remuneration of Rs. 75,000/- (Rupees Seventy Five Thousand only).

Pursuant to the provisions of section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the notice for ratification of remuneration payable to the cost auditors for the financial year 2021-22.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution set out at Item No. 7 of the notice.

Hence, your Directors recommend you to pass the proposed resolution as mentioned in Item No. 7 of the notice, as an Ordinary Resolution.

**For and on behalf of the Board**

**For Lords Chloro Alkali Limited**

**Place: New Delhi**  
**Date: 23<sup>rd</sup> August, 2021**

**(Ajay Virmani)**  
**Managing Director**  
**DIN: 00758726**

**Annexure to the Notice**

**Details of Directors seeking re-appointment at the Annual General Meeting of the Company pursuant to Reg. 36 of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India**

<b>Name of Director</b>	<b>Shri Deepak Mathur</b>
<b>Director Identification No.</b>	07092786
<b>Date of Birth</b>	11/08/1960
<b>Brief Resume</b>	Shri Deepak Mathur, aged 60 years, is an engineer and working as Director (Technical) of the Company w.e.f 19 <sup>th</sup> February, 2018. He has vast experience working in manufacturing units including chemicals like caustic soda.
<b>Date of Appointment / Reappointment</b>	19/02/2021
<b>Expertise in Specific Functional Area</b>	Chemicals production
<b>Disclosure of relationships between directors inter-se</b>	He is not related to any of the Directors on the Board of the Company.
<b>Names of listed entities in which he holds the directorship as on 31.03.2021</b>	Lords Chloro Alkali Limited
<b>Names of listed entities in which he holds Membership of Committees of the board as on 31.03.2021</b>	NIL
<b>No. of equity shares held as on 31.03.2021</b>	NIL

<b>Name of Director</b>	<b>Ms. Srishti Dhir</b>
<b>Director Identification No.</b>	06496679
<b>Date of Birth</b>	21/12/1988
<b>Brief Resume</b>	Ms. Srishti Dhir has a Masters Degree from London Business School and a B.A. LL.B qualification from Warwick University and has also completed LL.M Degree from India. She has been involved with financial services including acquisition and restructuring of businesses and is president of Alchemist ARC. She is a serial entrepreneur and had established 'Hub & Oak' a well-established co-working entity

	in India; 'Book Office' Now a co-working aggregator platform, 'Better Burger' a cloud kitchen and is an expert in Marketing and Management
<b>Date of Appointment</b>	23/08/2021
<b>Expertise in Specific Functional Area</b>	Marketing and Management
<b>Disclosure of relationships between directors inter-se</b>	She is Sister of Shri Madhav Dhir, Whole Time Director of the Company.
<b>Names of listed entities in which she holds the directorship as on 31.03.2021</b>	NA
<b>Names of listed entities in which she holds Membership of Committees of the board as on 31.03.2021</b>	NA
<b>No. of equity shares held as on 31.03.2021</b>	NA
<b>Details of Remuneration as on 31.03.2021</b>	NA
<b>No. of Meetings of the Board attended during the year</b>	NA
<b>Other Directorships</b>	<ol style="list-style-type: none"> <li>1. Hub And Oak Accelerator Private Limited</li> <li>2. Dhir Chemicals Private Limited</li> <li>3. Dhir Hotels And Resorts Private Limited</li> <li>4. Monet Exports Private Limited</li> <li>5. Cirrus Chemicals Private Limited</li> <li>6. Aquamarine Synthetics And Chemicals Private Limited</li> <li>7. Cygnet Projects Private Limited</li> <li>8. Japa Arts Private Limited</li> <li>9. Ammadoes Trading And Consultants Private Limited</li> <li>10. Turquoise Metals And Electricals Private Limited</li> </ol>

	<ol style="list-style-type: none"><li>11. Destinationindia Projects Private Limited</li><li>12. Triton Projects India Private Limited</li><li>13. Sri Parthasarathy Infrastructure Private Limited</li><li>14. Dhir E-Commerce Private Limited</li><li>15. Dhir Investment Advisors Private Limited</li><li>16. Swadesi Launchpad Private Limited</li><li>17. Acorn Global Investments Limited</li><li>18. Agate India Investments Limited</li></ol>
<b>Membership/ Chairmanship of Committees of other Boards as on 31.03.2021</b>	NA

**BOARD'S REPORT****TO****THE MEMBERS,**

Your Directors are pleased to present the 42<sup>nd</sup> Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended on 31<sup>st</sup> March, 2021.

**1. FINANCIAL PERFORMANCE****(Rs. in Lakhs)**

<b>Particulars</b>	<b>For the year ended on 31<sup>st</sup> March, 2021</b>	<b>For the year ended on 31<sup>st</sup> March, 2020</b>
Sales (Net of Indirect Taxes)	15,410.12	20,368.88
Other Income	322.90	150.16
Operating Profit / (Loss) before Interest and Depreciation	801.15	2,302.32
Interest/ Finance Cost	399.34	301.60
Depreciation	640.92	624.94
Exceptional Items – (Gain)/ Loss	-	-
Profit/(loss) before tax	(239.11)	1,375.78
Tax expense	(35.02)	(345.76)
Net Profit / (Loss)	(204.09)	1,030.02
Other Comprehensive Income (Net of Tax)	18.20	(5.13)
Total Comprehensive Income	(185.89)	1,024.89

**2. COVID 19 PANDEMIC**

The year started with COVID-19 pandemic as a global challenge, creating disruption across the world. The physical and emotional wellbeing of employees continues to be a top priority for the Company, with several initiatives to support employees and their families during the pandemic. The performance of the Company was impacted by the COVID-19 pandemic, which spread during the peak business season, affecting end user demand. The Company observed all the government advisories and guidelines thoroughly and made adequate preparations to meet any contingency.

**3. PERFORMANCE AND STATE OF COMPANY AFFAIRS**

Your Company has been able to produce 59150 tons of Caustic during the year against 65011 MT in the previous year. The working of the company was

severely affected due to pandemic as the major consuming sectors like textiles and papers were operating at much below capacity. Also the Government guidelines were for mandatory complete lock down from 1st April to most part of May, which resulted in total loss of production for two months. After restart at the end of May, the prices of the products of your company were under tremendous pressure which affected the top and the bottom line. The pandemic was getting under control by the fourth quarter and vaccination was also out in the market that gave a boost to the market sentiment. The second wave did affect the sentiment in the current year 2021-22 but the management is delighted to inform that the operations of the company were not hindered for even a day in the second wave. The company also made sure that 100% staff and workers were vaccinated to handle the pandemic for any disruptions or any threat to health or life. The business outlook currently is very promising.

#### **4. MARKETING**

The Demand for caustic soda in India was estimated at 4.2 Million TPA in 2020-2021. The Year has seen low demand due to unfavorable economic conditions arising out of COVID pandemic. Financial year 2020-2021 seen decline in nation's GDP, caustic soda and chlorine are considered as basic raw material for various industries and demand of both products is linked to GDP growth. Production capacity was not fully utilized this year that resulted in less production on global levels in comparison to last year. The marketing of the goods produced was a challenge this year due to less demand from consuming sectors but there has been a big rebound in demand by the end of the financial year and all sectors which consume your company's products, like paper, textiles, aluminum and soaps, are running at almost full capacity.

#### **5. FUTURE OUTLOOK**

The Global scenario has significantly improved after rapid vaccination in many countries. India is also witnessing a steep fall in cases and witnessing a very healthy growth in demand . The company is very confident of producing at full capacity in the year 21-22 with much better profitability. During the year company will also add Sodium Hypo to its product line. The work on Stable Bleaching Powder has also begun and the project will be started by the first quarter of next year. Company is closely watching the improving state of economy and will take further expansion and product decisions during the year.

#### **6. OPEN OFFER**

The Company had received a Public Announcement of Open Offer of the Company vide email dated 28th July, 2021, made by Corporate Professionals Capital Private Limited (hereinafter referred to as 'Manager to the Offer') on behalf of Shri Madhav Dhir, Ms. Srishti Dhir and Dhir Hotels and Resorts

Private Limited ('Acquirers') to acquire 92,75,000 (Ninety Two Lacs Seventy Five Thousand) Equity Shares representing 36.87% of the Total Paid-up Share Capital of Lords Chloro Alkali Limited ('Target Company') at a price of INR 47.75 (Indian Rupees Forty Seven and Seventy Five Paise only) for each Equity Share of Target Company, pursuant to, and in compliance with, amongst others, Regulation 3(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ('SEBI (SAST) Regulations, 2011').

Further, Manager to the Offer had submitted the Detailed Public Statement to the Company on 3<sup>rd</sup> August, 2021 and Draft Letter of Offer (DLOO) on 6<sup>th</sup> August, 2021 on behalf of Acquirers.

Pursuant to Regulation 26(6) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, upon receipt of the Detailed Public statement, the Board of Directors of the Company has constituted a committee of Independent Directors at the Board Meeting held on 23<sup>rd</sup> August, 2021 to provide reasoned recommendations on such open offer.

## **7. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions under Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of Company, Shri Rakesh Ahuja, Non-Executive Director, is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and he has not offered himself for re-appointment.

Shri Yuvraj Ahuja (DIN: 00164675), Non-Executive Director of the Company has resigned from the Board/ Committee thereof w.e.f. 18<sup>th</sup> August, 2021. Shri Sandeep Chaudhari, Independent Director of the Company has also resigned from the Board/ Committee thereof w.e.f. 18<sup>th</sup> August, 2021 and he confirmed that there is no material reason of his resignation.

Ms. Srishti Dhir, sister of Shri Madhav Dhir, Whole Time Director of the Company, has been appointed as an Additional Non- Executive Director w.e.f. 23<sup>rd</sup> August, 2021.

During the year under review, Shri Chandra Shekhar Pathak, Independent Director, has resigned from the directorship of the Company w.e.f. 31<sup>st</sup> July, 2020. He confirm that there is no other material reasons of his resignation. Ms. Meenakshi Sharma, Independent Director, has resigned from the directorship of the Company w.e.f. 31<sup>st</sup> August, 2020. She confirm that there is no other material reasons of her resignation.

On the recommendation of the Nomination and Remuneration Committee, Shri Rajendra Prasad Chauhan has been appointed as Independent Director w.e.f.

1<sup>st</sup> August, 2020 and Shri Sandeep Singh has been appointed as Independent Director w.e.f. 1<sup>st</sup> September, 2020 of the Company for a term of 5 (five) years and members of the Company had approved their appointment in last AGM held on 30<sup>th</sup> December, 2020.

Shri Dipendra Chaudhary, Company Secretary cum Compliance Officer of the Company has resigned w.e.f. 20<sup>th</sup> August, 2021.

The Company has received the declaration from all Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 8. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company in their meeting held on 12<sup>th</sup> February, 2021 had carried out the annual evaluation of their own performance, the Individual Directors (Including the Independent and Non-Independent Directors) as well as of their committees. The evaluation was carried out based on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and all stakeholders etc.

The Independent Directors of the Company in their separate meeting held on 12<sup>th</sup> February, 2021 reviewed the performance of the Non-Independent Directors and the Board as a whole. They also reviewed the performance of the Chairperson of the Company.

The Policy on performance evaluation of Independent Directors, Board of Directors, Committees and other individual Directors covered the role, rights, responsibilities of Independent Director and related matters are put up on the website of the Company at the link [www.lordschloro.com](http://www.lordschloro.com).

The details of programmes for familiarization of 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 and related matters are put up on the website of the Company at the link [www.lordschloro.com](http://www.lordschloro.com).

The following policies of the Company are attached herewith marked as **Annexure A and B**.

- a) Policy for selection of Directors and determining Directors independence; and
- b) Remuneration Policy for Directors, Key Managerial Personnel and other employees.

## **9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186**

During the year, there was no loan given, investment made, guarantees given or securities provided by the Company.

## **10. MATERIAL CHANGES AND COMMITMENTS, IF ANY:**

There were no material changes and commitments have been occurred between the end of the financial year of the Company to which the financial statements relate and date of signing of board report affecting the financial position of the company.

## **11. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

The Company has not received any significant/material orders from the statutory regulatory bodies/courts/tribunals which affect the operations/status of the Company.

## **12. COST RECORDS**

The Cost accounts and records as required to be maintained under Section 148 (1) of Act are duly made and maintained by the Company.

## **13. STATUTORY AUDITORS**

Pursuant to the provisions of section 139 of the Companies Act, 2013, an audit firm can act as auditors for a maximum tenure of two terms of 5 consecutive years. For the purpose of reckoning this limit, existing tenure of the auditors needs to be counted. M/s Gupta Vigg & Co., Chartered Accountants, existing auditor's firm will complete their second term of five years with the Company on conclusion of ensuing AGM.

M/s Gupta Vigg & Co., Chartered Accountants, who are the statutory auditors of the Company are entitled to hold office till the conclusion of forthcoming 42<sup>nd</sup> Annual General Meeting. It is proposed to appoint M/s Nemani Garg Agarwal & Co, Chartered Accountants (FRN – 010192N) as Statutory Auditors of the Company from the conclusion of 42<sup>nd</sup> Annual General Meeting till the conclusion of 47<sup>th</sup> AGM to be held in the year 2026. They have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for appointment. It is also proposed to authorize the Board of Directors to fix their remuneration.

The Auditors' Report does not contain any qualification, reservation or adverse remark.

#### 14. COST AUDITORS

The provisions of section 148 of the Companies Act, 2013, read with Rules 4 & 5 of the Companies (Cost Audit and Record) Rules, 2014, for maintenance of Cost Records, Cost Audit are applicable to the Company for the financial year 2020-21.

The Board of Directors of your Company at its meeting held on 23<sup>rd</sup> August, 2021, has on the recommendation of Audit Committee, had approved the appointment of M/s Goyal, Goyal & Associates, Cost Accountants as Cost Auditor of your Company to conduct the audit of cost records for the Financial Year 2021-22. The remuneration proposed to be paid to the Cost Auditor subject to your ratification at the 42<sup>nd</sup> AGM will be Rs. 75,000/- (Rupees Seventy Five Thousand only) for the Financial Year 2021-22.

#### 15. SECRETARIAL AUDITOR

Pursuant to the provisions of section 204 of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company had appointed M/s SSPK & Co., Practicing Company Secretary, as Secretarial Auditors to conduct Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2021 is annexed herewith as **Annexure C** to this Report.

#### 16. AUDITORS' OBSERVATIONS

The Company is required to transfer an amount of Rs. 11.64 lakhs to Investor Education and Protection Fund under the provisions of Section 125 of the Companies Act, 2013 and other applicable provisions. However, as per explanation received from management, this amount, due for transfer, pertains to period prior to period under review and delay is due to pending reconciliation of old records. Further, the Company is in the process of reconciliation of records and deposit the amount with appropriate authorities.

#### 17. SAFETY, ENVIRONMENT PROTECTION & POLLUTION CONTROL

Your Company is continuously making endeavors to have safe operations by training and conducting various safety audits/ mock drills.

During the Covid-19 pandemic, all the guidelines and regulations were followed as given by the state & district authorities. Company didn't face any manpower issue during this period resulted following the protocol strictly. Everyone was kept disciplined to keep the environment safe and hygienic.

To conserve the underground water resources, waste water recovery RO unit is installed to recover the waste water. Its capacity is 225 KLD. Sprinkler

system is installed to used ETP treated water for gardening purpose more effectively.

10 KLD STP is also commissioned to reuse the water for gardening purpose and to keep the environment more hygienic.

We have started the work on implementing a water harvesting system to stop wastage of rain water and for improving the ground water level. Work on roof top rain water harvesting in two of the main building is completed. This is in line with the company's policy to safeguard the environment in and outside the factory.

## **18. DIVIDEND AND TRANSFER TO RESERVE**

During the year, the Company has incurred the losses, therefore not declared any dividend for Financial Year 2020-21 and no amount has been transferred to General Reserve.

## **19. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGOING.**

In compliance with provisions of clause (m) of sub-section (3) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 the statements giving the required information relating to energy conservation, technology absorption, foreign exchange earnings and outgoings is annexed herewith as **Annexure D**.

## **20. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 in the prescribed Form AOC - 2 is annexed as **Annexure E** to this Report.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: [www.lordschloro.com](http://www.lordschloro.com).

## **21. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES**

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

<b>Name of the Directors</b>	<b>Ratio to median remuneration</b>	<b>Remuneration in Rs.</b>
Shri Rakesh Ahuja	-	-
Shri Madhav Dhir	13.94	36,07,000
Shri Yuvraj Ahuja	-	-
Shri Ajay Virmani	39.57	1,02,41,500
Shri Pawan Kumar Nayar	-	-
Shri Sandeep Chaudhari	-	-
Shri Rajendra Prasad Chauhan	-	-
Shri Rajbir Singh Makhni	-	-
Ms. Poonam Bisht	-	-
Shri Sandeep Singh	-	-
Shri Deepak Mathur	13.99	36,20,760

- (b) **The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year:**

<b>Name</b>	<b>% Increase</b>
Shri Ajay Virmani	(11.03%)
Shri Madhav Dhir	-
Shri Deepak Mathur	2.31%
Shri Rajiv Kumar (Chief Financial Officer)	2.98%
Shri Dipendra Chaudhary	-

- c) **The percentage increase in the median remuneration of employees in the financial year:**

The percentage increase in the median remuneration of employees in the financial year was (5.80%).

- (d) **the number of permanent employees on the rolls of company;**

The number of permanent employees on the rolls of the company at the end of financial year were 231.

- (e) **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 circumstances for increase in the managerial remuneration;

Average percentile increase in the salaries of employees other than the managerial personnel is (0.07%). Average percentile increase in the salaries of managerial personnel is (3.85%).

**(f) Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms that the remuneration is as per the remuneration policy of the Company.

Pursuant to the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee except Managing Director, who is employed throughout the financial year, was in receipt of remuneration of Rs. 1.02 crores (one crore and two lakh) or more per annum and no employee who is employed for a part of the financial year, was in receipt of remuneration Rs. 8.5 lakhs ( eight lakhs fifty thousand) or more per month. Any member interested in obtaining the information of top-10 employee of the Company may write to the Company Secretary at the registered office or the corporate office of the Company.

## **22. ANNUAL RETURN**

The Annual Return of the Company can be accessed on the website of the Company at following link <https://www.lordschloro.com/pdfs/annual-return-2019-20.pdf>

## **23. PUBLIC DEPOSITS**

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

## **24. CORPORATE GOVERNANCE REPORT**

Pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance and a Certificate from the Practicing Company Secretary confirming the compliance with conditions of corporate governance are appended herewith.

Further as per the above mentioned regulation and Schedule, the Report on Management Discussion & Analysis is also annexed herewith to this Report.

A certificate from Managing Director and Chief Financial Officer of the Company in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, inter-alia confirming the correctness of financial statements and cash flow statements, adequacy of internal control measures and reporting of matters was placed before the Audit Committee and Board.

## **25. RISK MANAGEMENT**

The Company has constituted a Risk Management Committee which ensures that the Company has an appropriate and effective Enterprise Risk Management system with appropriate policies and processes which carries out risk assessment and ensures that risk mitigation plans are in place by validating the same at regular intervals.

Brief details about the Risk Management are provided in the Corporate Governance Report.

## **26. CORPORATE SOCIAL RESPONSIBILITY**

In accordance with the provision of Section 135 of the Companies Act, 2013 read with rules made thereunder, Company has constituted Corporate Social Responsibility Committee, which framed a Board approved CSR Policy for the Company, same is available on Company's website [www.lordschloro.com](http://www.lordschloro.com).

An annual report of CSR activity has been disclosed with this report as **Annexure F**.

## **27. MEETINGS OF THE BOARD**

Six (6) meetings of the Board of Directors were held during the year. For further details, please refer section of Report on Corporate Governance of this Annual Report.

## **28. VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company established a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct or ethics policy.

This mechanism provides adequate safeguards against victimization of director(s) / employee(s) and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

The details of establishment of such mechanism disclosed at the website of the company [www.lordschloro.com](http://www.lordschloro.com).

## **29. DETAILS ON INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS**

Your Company has put in place adequate internal financial controls with reference to the financial statements, some of which are outlined below.

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable. These are in accordance with generally accepted accounting principles in India.

The Management periodically reviews the financial performance of your Company against the approved plans across various parameters and takes necessary action, wherever necessary.

## **30. GENERAL**

Your Directors state that during the year under review, there was no case reported pursuant to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

## **31. DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended on March 31, 2021, the applicable Indian Accounting Standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements 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 the financial year ended on 31<sup>st</sup> March, 2021 and of the losses incurred by the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts 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.

### **32. ACKNOWLEDGEMENT**

Your Directors wish to convey their deep appreciation to all the company's employees/workers for their dedication and hard work as well as their collective contribution to the Company's performance.

The Directors would also like to thank to the Members, Customers, Dealers, Suppliers, Bankers, Financial Institutions, Government Authorities and all other business associates for continued support given by them to the Company and their confidence in its management.

**For and on behalf of the Board of Directors**

**Lords Chloro Alkali Limited**

**Place : New Delhi**

**Ajay Virmani**

**Madhav Dhir**

**Date 23<sup>rd</sup> August, 2021**

**Managing Director**

**Whole Time Director**

**DIN: 00758726**

**DIN: 07227587**

**ANNEXURE A****POLICY FOR THE SELECTION AND APPOINTMENT OF DIRECTORS TO THE BOARD****Policy**

The Company's primary concern in relation to the composition of the Board is to have a well-balanced group with a variety of backgrounds, skills and experience. The priority in the nomination of a proposed board member is to identify their respective skills that will add value to the company and which may not exist in the present composition of board members.

**Procedure**

Any Board member may recommend a candidate for a Board position to the Nomination and Remuneration Committee which shall be responsible for identifying whether the nominee meets the criteria, is suitable and whether a position exists.

If considered acceptable by the Nomination and Remuneration Committee the candidate is introduced to the other directors and a vote taken at a Board meeting as to the appointment of the candidate to the Board.

In terms of the Constitution, a person appointed as a director by the Board, retires at the next Annual General Meeting and is eligible for election as a director by the Members.

**Criteria**

Appointment of Board members is to be considered keeping in mind a broad range of criteria inter alia including but not be limited to qualifications, skills, industry experience, background, integrity and other qualities required to successfully fulfill his/her responsibilities and obligations as the member of the Board.

**Criteria for Independent Director**

1. For the purpose of this clause, the expression 'independent director' shall mean a non-executive director, other than a nominee director of the company:
  - a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
  - b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company or member of the promoter group of the listed entity;  
  
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;

- c. apart from receiving director's remuneration, has or had no material pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. who, neither himself nor any of his relatives —
  - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
  - (iii) holds together with his relatives two percent or more of the total voting power of the company; or
  - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company;
  - (v) is a material supplier, service provider or customer or a lessor or lessee of the company;

- f. who is less than 21 years of age.
- g. who is not a non-independent director of another company on the board of which any non- independent director of the Company is an independent director.

### **Other directorships / committee memberships**

The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance.

The Nomination and Remuneration Committee shall take into account the nature of and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies. A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships. For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

## ANNEXURE B

### **Nomination and Remuneration Policy**

This Nomination and Remuneration Policy applies to the Board of Directors (the “Board”), Key Managerial Personnel (the “KMP”) and the Senior Management Personnel of Lords Chloro Alkali Limited (the “Company”).

#### **“Key Managerial Personnel” (KMP) means -**

key managerial personnel”, in relation to a company, means—

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Company Secretary;
- (iii) the Whole-Time Director;
- (iv) the Chief Financial Officer;
- (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- (vi) such other officer as may be prescribed.

The term “Senior Management” means all personnel of the Company who are members of its core management team excluding members of the Board of Directors, comprising all members of management one level below the executive directors, including the functional heads.

This Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto.

#### **1. Purpose**

The primary objective of the Policy is to provide a framework and set standards for the nomination and remuneration of Directors, Key Managerial Personnel and other employee comprising the senior management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

#### **2. Accountabilities**

- 2.1 The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.
- 2.2 The Board had delegated responsibility for assessing and selecting the candidates for the enrolment of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which makes recommendations & nominations to the Board.

### 3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for:

- 3.1 Identifying individuals suitably qualified to be appointed as the Director and KMPs or as in the Senior Management of the Company;
- 3.2 Recommending to the Board on the selection of individuals nominated for directorship;
- 3.3 Making recommendations to the Board on the remuneration payable to the Directors/KMPs/Senior Officials so appointed/reappointed;
- 3.4 Assessing the independence of Independent Directors;
- 3.5 Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provisions of the Companies Act 2013 and Rules there under.
- 3.6 To make recommendations to the Board concerning any matters relating to the continuation in office of any Director, Senior Management at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- 3.7 Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

The Nomination and Remuneration Committee comprises of the following:

- a) The Committee shall consist of a minimum 3 or more non-executive directors, majority of them being independent.
- b) The quorum shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.
- c) Membership of the Committee and Nomination and Remuneration policy shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

#### **CHAIRMAN**

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the Members' queries.

#### **COMMITTEE MEMBERS' INTERESTS**

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

#### **VOTING**

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

#### **4. Appointment of Directors/KMPs/Senior Officials**

4.1 Enhancing the competencies of the Board and attracting as well as retaining talented employees for role of KMP/a level below KMP are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. When recommending a candidate for appointment, the Nomination and Remuneration Committee has regard to:

- Assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
- The extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company;
- The skills and experience that the appointee brings to the role of KMP/Senior Official and how an appointee will enhance the skill sets and experience of the Board as a whole;

- Nature of existing positions held by the appointee including directorships or other relationships and
- The impact they may have on the appointee's ability to exercise independent judgment;

#### 4.2 Personal specifications to be broadly considered:

- Holding relevant education qualification in relevant disciplines;
- Experience of management in a diverse organization;
- Excellent interpersonal, communication and representational skills;
- Demonstrable leadership skills;
- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
- Having continuous professional development to refresh knowledge and skills.

### 5. Letters of Appointment

Each Director/KMP/Senior Officials is required to sign the letter of appointment with the Company containing the terms of appointment and the role assigned in the Company.

### 6. Remuneration of Directors, Key Managerial Personnel and Senior Management

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other senior officials. The Directors, Key Management Personnel and other senior official's salary shall be based & determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Nominations & Remuneration Committee determines individual remuneration packages for Directors, KMPs and Senior Officials of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines.

**i) Remuneration:****a) Base Compensation (fixed salaries)**

Must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/non-statutory benefits which are normal part of remuneration package in line with market practices).

**b) Variable salary:**

The nomination and remuneration committee may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfilment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the Committee, based on performance against pre-determined financial and non-financial metrics.

- 6.1 The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other directors.
- 6.2 The remuneration payable to the Directors shall be as per the Company's policy and shall be valued as per the Income Tax Rules.
- 6.3 The remuneration payable to the Key Managerial Personnel and the Senior Management shall be as may be decided by the Board having regard to their experience, leadership abilities, initiative taking abilities and knowledge base.

**7. Evaluation/ Assessment of Directors/ KMPs/Senior Officials of the Company –**

The evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted on an annual basis on such criteria as may be deemed fit and appropriate.

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors on the such parameters as may be deemed fit and appropriate. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

**ANNEXURE C**

**SECRETARIAL AUDIT REPORT  
(FOR THE FINANCIAL YEAR ENDED ON 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]

**To,  
The Members,  
Lords Chloro Alkali Limited  
CIN: L24117RJ1979PLC002099**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Lords Chloro Alkali Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the 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 ended on 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **the Company** for the period ended on March 31, 2021 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder, as applicable;
- II. The Secretarial Standards issued by the Institute of Company Secretaries of India;
- III. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- IV. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- V. 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;

- VI. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
- 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 (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. 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;
  - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - g. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - h. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and
  - i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;.

We have relied on the representation obtained from the management of the Company and based on the report received, there has been due compliance with the following laws applicable specifically to the Company namely:

- a. Environment Protection Act, 1986.
- b. The Water (Prevention & Control of Pollution) Act, 1974 read with Water (Prevention & Control of Pollution) Rules, 1975
- c. The Air (prevention & Control of Pollution), 1981 read with Air (Prevention & Control of Pollution) Rules, 1982
- d. Explosives Act, 1884
- e. Manufacture Storage & Import of Hazardous and Chemicals Rules, 1989

- f. Public Liability Insurance Act, 1991, as amended
- g. Gas Cylinder Rules, 2004, 2016
- h. The Hazardous wastes (Management, Handling & Trans boundary Movement) Rules, 2008
- i. The Static and Mobile Pressure Vessels (Unfired) Rules 1981, 2016

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Regulation etc mentioned above subject to observation noted hereunder :

*The Company is required to transfer an amount of Rs. 11.64 lakhs to Investor Education and Protection Fund under the provisions of Section 125 of the Companies Act, 2013 and other applicable provisions. However, as per explanation received from management, this amount, due for transfer, pertains to period prior to period under review and delay is due to pending reconciliation of old records. Further, the Company is in the process of reconciliation of records and deposit the amount with appropriate authorities.*

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

**We further report that:**

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.

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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** as explained to us by the management of the Company and intimated to BSE Ltd. as well that due to exposure of Covid infection to one of the employees of the Company and consequent sanitisation of entire office, the Board Meeting of the Company for approval of Un-audited financial results for quarter ending 30<sup>th</sup> June, 2020 scheduled on 15<sup>th</sup> September, 2020

(being last date post extension by SEBI) was adjourned by 2 days and held on 17<sup>th</sup> September, 2020. Thereafter, a fine of Rs. 10,000 for delay of two days was deposited by the Company to BSE in time.

**We further report that** based on the information received and records maintained 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.

**We further report that** during the audit period, the Company has not undertaken such events/actions such as public, rights or preferential issue of shares, debentures or sweat equity; redemption or buy back of securities; major decisions by members pursuant to section 180 of the Companies Act, 2013; merger, amalgamation or reconstruction; foreign technical collaboration or other events/actions that has major bearing on the Company affairs in pursuance of above referred laws, rules, regulations, guidelines, standards etc.

**Place : Delhi**  
**Date : 28.06.2021**

**For SSPK & Co.**  
**Company Secretaries**

**Sanjeev Pandey**  
**Partner**  
**Mem No.: F10272**  
**COP No : 17237**

**UDIN No.: F010272C000530946**

## **Annexure A to Secretarial Audit Report**

**To,  
The Members,  
Lords Chloro Alkali Limited,  
CIN: L24117RJ1979PLC002099**

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate 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. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial record and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. 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.

**Place : Delhi  
Date : 28.06.2021**

**For SSPK & Co.  
Company Secretaries**

**Sanjeev Pandey  
Partner  
Mem No.: F10272  
COP No : 17237**

**ANNEXURE D**

**Form - A**

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION.**

**A. CONSERVATION OF ENERGY**

- All but one of the electrolyzers are of the latest Zero gap technology from Asahi Kasei Corporation (AKC) Japan ,the world leaders in Chloro Alkali industry. The company has a fixed tenure membrane replacement schedule to keep the power consumption in check.
- Entire electrical distribution network is being monitored periodically to avoid losses in distribution system and a continuous upgradation plan is under way.
- Regular energy audits are being conducted.

Your company is in the cycle-V of PAT (Perform, Achieve and Trade). Under the guidelines of statutory body of BEE (Bureau of Energy Efficiency) Specific Energy Consumption (SEC) shall be monitored with a mechanism to enhance the cost effectiveness through certification of excess energy saving which can be traded.

It is an ongoing process at Lords Chloro Alkali Limited to monitor the energy consumption figures and these are analyzed regularly, modifications carried out as and when required with a view to optimize energy consumption.

**B. TECHNOLOGY ABSORPTION & INNOVATION**

Technology upgradation and training on energy conservation are continuous practice in the company and due care is being given to this aspect during new investments & in the revamp.

**C. ASSISTANCE TO ANCILLARY INDUSTRIES**

Company provides continuous assistance to CPW manufacturers (Ancillary Units) in the vicinity and other consumers by providing necessary technical support and also aids/ tools to handle emergency situations.

**FORM- B**

**FOREIGN EXCHANGE EARNING AND OUTGOING**

The total foreign exchange earned and used:

(Rs. in Lakhs)

		<b>For the year ended on 31<sup>st</sup> March, 2020</b>	<b>For the year ended on 31<sup>st</sup> March, 2021</b>
(i)	Earned	41.08	0.00
(ii)	Used	83.06	2.81

**ANNEXURE- E**
**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 read with Section 188(1) of the Companies Act)**

**Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.**

**1. Details of contracts or arrangements or transactions not at arm's length basis - NONE**

S	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
NIL								

**2. Details of material\* contracts or arrangements or transactions at Arm's length basis –**

S. No	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
	(a)	(b)	(c)	(d)	(e)	(f)
1	Cirrus Chemicals Private Limited Shri Rakesh Ahuja (Director), Shri. Yuvraj Ahuja (Director) are indirectly related as their relatives are shareholders in Cirrus Chemicals Private Limited Shri Madhav Dhir is common Director.	Sale & Purchase of Hydrogen gas, caustic soda lye, caustic soda flakes and allied products	( for 10 Years)	Hydrozen Gas Rs. 447.90 Lakhs**	17.08.2017	Nil

*Note:- \*Material – Since the definition of Material is not defined under Companies Act, 2013 read with rules made thereunder, an inference is being drawn from the explanation to Regulation 23(1) of the SEBI (LODR) Regulations 2015, i.e transaction with related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a Financial Year, exceeds 10% of the Annual Consolidated Turnover of the Company as per the last audited Financial Statements of the Company.*

*\*\*The transactions does not fall under material contracts even Company is giving disclosure.*

**For and on behalf of the Board of Directors**  
**Lords Chloro Alkali Limited**

Place : New Delhi  
 Date : 23<sup>rd</sup> August, 2021

(Ajay Virmani)  
 Managing Director  
 DIN: 00758726

**ANNEXURE F****REPORT ON CSR ACTIVITIES FOR THE FY 2020 – 21**

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2021, as amended]

**1. Brief outline on CSR Policy of the Company**

The Company is committed to operate and grow its business in a socially responsible way with a vision to be an environmental friendly corporate citizen. Therefore, it is the core corporate responsibility of the Company to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

As per the CSR policy of the Company, company can undertake any of the program or activity as defined in Schedule VII of the Companies Act, 2013, and which will include any modification or amendment thereof.

**2. Composition of CSR Committee as on 31<sup>st</sup> March, 2021**

Sl. 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 Ajay Virmani	Chairman- Executive Director	1	1
2.	Shri Yuvraj Ahuja	Member- Non Executive Director	1	1
3.	Shri Madhav Dhir	Member- Executive Director	1	1
4.	Ms. Poonam Bisht	Member- Independent Director	1	1

3. 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: [lordschlro.com/pdfs/lcal-csr-policy.pdf](https://lordschlro.com/pdfs/lcal-csr-policy.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).

Not applicable.

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:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1.	NA	NA	NA
	<b>TOTAL</b>		

6. Average net profit of the company as per section 135(5): Rs. 2,088.65 Lakhs
7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 41.77 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. 41.77 Lakhs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (Rs. in Lakhs)				
	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.
41.77	-	-	-	-	-
60.48*	-	-	-	-	-

Note : \*Unspent CSR amount pertaining to previous years spent during FY 2020-21.

- (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. 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)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1							NA		(in Rs.).			
	<b>TOTAL</b>											

- c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. 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 (Rs.in Lakhs).	Mode of Implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name.	CSR registration number
	Plantation	Environmental sustainability	Yes	Rajasthan	Alwar	2.57	Direct	-	-
	Food distribution	Eradicating hunger, poverty and malnutrition	Yes	Rajasthan	Alwar	0.68	Direct	-	-
	Health Care	Promoting Health Care	No	No	Haryana	3.00	No	Karuna Care Foundation	NA
	Animal Welfare	Protection of flora and fauna, animal welfare	No	Whole of India	Whole of India	96.00	No	Abhay Daanam	NA
<b>Total</b>						<b>102.25</b>			

(d) Amount spent in Administrative Overheads

(e) Amount spent on Impact Assessment, if applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): 102.25 lakhs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. in Lakhs.)	Amount spent in the reporting Financial Year Rs. in Lakhs.).	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. (Rs. in Lakhs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1	2019-20	-	7.58	-	-	-	29.32
2	2018-19	-	-	-	-	-	20.88
3	2017-18	-	-	-	-	-	8.60
<b>TOTAL</b>							<b>58.80</b>

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. 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	-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	-
3	-	--	-	-	-	-	-	-
	Total							

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).

(a) Date of creation or acquisition of the capital asset(s): NA

(b) Amount of CSR spent for creation or acquisition of capital asset: NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

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): NA

(Ajay Virmani)  
 Managing Director  
 &  
 Chairman, CSR Committee  
 DIN: 00758726

(Rajiv Kumar)  
 CFO

## CORPORATE GOVERNANCE REPORT

### 1. Company's philosophy on Code of Corporate Governance.

Corporate Governance relates to governance of rules, regulation and best practice of transparency which enable the company to perform its business more effectively and efficiently which creates long term trust, wealth for its all stake holders.

Corporate Governance has always been intrinsic to the management of the business and affairs of our Company. In line with the above philosophy, your Company continuously strives for excellence and focuses on enhancement of long-term stakeholder value through adoption of best governance and disclosure practices. Your Company is committed to the adoption of best governance practices and its adherence in true spirit, at all times. Your Company aims at fostering and sustaining a culture that demonstrates highest standard of ethical and responsible business conduct.

Your Company confirms compliance with the Corporate Governance requirements stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of which for the Financial Year ended 31<sup>st</sup> March 2021 are as set out hereunder.

Securities and Exchange Board of India (SEBI) has mandated the Corporate Governance standards for listed companies through Listing Regulations. The Company continued to be in compliance with the Corporate Governance standards of said regulation, as referred above.

### 2. Board of Directors

#### A. Composition of Board

- i) At present the Board has an optimum combination of executive, non-executive and Independent directors, comprising of experts from various fields/professions, consisting of 10 (Ten) Directors. Out of these 3 (Three) are Executive Directors, 2 (Two) are Non-Executive Directors and 5 (Five) are Non-Executive Independent Directors.
- ii) The composition of the Board of Directors is in conformity with the provisions under Regulation 17 of Listing Regulations and the Companies Act, 2013 ("the Act").
- iii) The Directors are eminent persons with professional expertise and experience. The Independent Directors of the Company meet all the criteria mandated by Regulation 25 of the Listing Regulations and Section 149 of the Act.

- (iv) All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013 (Act). In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management. The maximum tenure of Independent Directors is in accordance with the Act.

## B. Board Meetings

The Meetings of the Board of Directors and their Committees are scheduled well in advance and generally held at the company's corporate office situated in New Delhi. The Board meets at least once a quarter to review the quarterly performance and financial results.

## C. Membership, Attendance and Other Directorship

The composition of the Board and attendance of each director at Board Meetings held during the financial year ended on 31st March, 2021 and last Annual General Meeting and number of other Directorships and Chairmanship / Membership of Committees of the Board are as under:

Sl. No.	Name of Directors	Attendance		Category	Directorship in other Public Co.*	Committee**		List of Directorship held in Other Listed Companies and Category of Directorship
		Board Meeting	Last AGM			Chairman	Member	
1.	Shri Rakesh Ahuja	2	N	Promoter & Non-Executive Director	3	1	-	-
2.	Shri Madhav Dhir (Whole Time Director)	6	N	Promoter & Executive Director	-	-	-	-
3.	Shri Yuvraj Ahuja #	4	N	Promoter Non-Executive Director	3	-	-	-
4.	Shri Ajay Virmani (Managing Director)	5	N	Executive Director	-	-	2	-
5.	Shri Pawan Kumar Nayyar	1	N	Independent Director	-	-	-	-
6.	Shri Sandeep Chaudhari ##	5	N	Independent Director	-	-	-	-

Sl. No.	Name of Directors	Attendance		Category	Directorship in other Public Co.*	Committee**		List of Directorship held in Other Listed Companies and Category of Directorship
		Board Meeting	Last AGM			Chairman	Member	
7.	Ms. Poonam Bisht	5	N	Independent Director	-	-	-	-
8.	Shri Rajbir Singh Makhni	5	Y	Independent Director	-	1	1	-
9.	Shri Rajendra Prasad Chauhan###	4	N	Independent Director	-	-	1	-
10.	Shri Sandeep Singh###	4	N	Independent Director	1	-	1	-C.J. Gelatine Products Limited- Independent Director
11.	Shri Deepak Mathur (Whole-time Director)	5	Y	Executive Director	-	-	-	-
12.	Ms. Srishti Dhir####	-	-	Non-Executive Director	-	-	-	-

\*Other Directorship do not include directorship of private limited companies, foreign companies and companies incorporated under Section 8 of the Companies Act, 2013

\*\*As per SEBI (LODR) Regulations, 2015 Committee includes Audit committee and Stakeholder Relationship committee.

# Shri Yuvraj Ahuja, Non-Executive Director, has resigned from the Directorship/Committees of the Company w.e.f 18<sup>th</sup> August 2021.

## Shri Sandeep Chaudhari, Independent Director, has resigned from the Directorship/Committees of the Company w.e.f 18<sup>th</sup> August 2021.

### Shri Rajendra Prasad Chauhan and Shri Sandeep Singh has been appointed as Independent Directors of the Company w.e.f. 1<sup>st</sup> August, 2020 and 1<sup>st</sup> September, 2020 respectively.

#### Ms. Srishti Dhir has been appointed as an Additional Non-Executive Director of the Company w.e.f. 23<sup>rd</sup> August 2021.

#### D. During the financial year 2020-21, Six (6) Board Meetings were held on the following dates:

20 <sup>th</sup> July, 2020	28 <sup>th</sup> August, 2020	15 <sup>th</sup> September, 2020 (Adjourned) & 17 <sup>th</sup> September, 2020	12 <sup>th</sup> November, 2020
20 <sup>th</sup> January, 2021	12 <sup>th</sup> February, 2021	-	-

#### E. Disclosure of relationships between directors inter-se:

Shri Yuvraj Ahuja (Non-Executive Director) is the son of Shri Rakesh Ahuja (Non-Executive Director) and Shri Madhav Dhir (Executive Director) is brother of Ms. Srishti Dhir (Non-Executive Director). None other directors are related to any other director on the Board.

**F. As on 31<sup>st</sup> March, 2021, No. of share held by Non-Executive Directors are provided below:**

S.No.	Name of Director	Category	No. of Equity Shares
1.	Shri Rakesh Ahuja	Non-Executive Director	33,31,447
2.	Shri Yuvraj Ahuja	Non-Executive Director	21,72,040
3.	Shri Rajbir Singh Makhni	Non-Executive Independent Director	50,500

**G. Familiarization programs of independent Directors**

Details regarding familiarization programs imparted to independent Directors has been disclosed on the given weblink i.e. <http://www.lordschloro.com/pdfs/independent-directors-familirisation-programme.pdf>.

**Independent Directors' Meeting:**

During the year under review, the Independent Directors met on 12<sup>th</sup> February, 2021 without the attendance of Non-Independent Directors and members of the management, inter alia, to discuss on the following:

- To review the performance of the Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of your Company, taking into account views of Executive / Non- Executive Directors; and
- Assess the quality, quantity and timeliness of flow of information between your Company's management and the Board that was necessary for the Board to effectively and reasonably perform their duties.

**H. The following is the list of core skills/expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:**

S. No.	Directors	Areas of Core Skills/Expertise/Competence					
		Leadership	Chemicals manufacturing	Engineering	Financials	Sales and Marketing	Compliance Management
1.	Shri Rakesh Ahuja	√	√		√	√	√
2.	Shri Ajay Virmani	√	√		√	√	√
3.	Shri Madhav Dhir	√	√		√	√	√
4.	Shri Yuvraj Ahuja	√	√		√		√
5.	Ms. Poonam Bisht	√					√

S. No.	Directors	Areas of Core Skills/Expertise/Competence					
		Leadership	Chemicals manufacturing	Engineering	Financials	Sales and Marketing	Compliance Management
6.	Shri Rajbir Singh Makhni				√		√
7.	Shri Pawan Kumar Nayyar	√					√
8.	Shri Sandeep Chaudhari	√					√
9.	Shri Rajendra Prasad Chauhan	√			√		√
10.	Shri Sandeep Singh	√			√	√	√
11.	Shri Deepak Mathur	√	√	√			√

- I.** All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013 (Act). In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management. The maximum tenure of Independent Directors is in accordance with the Act.
- J.** During the year under review, Shri Chandra Shekhar Pathak, Independent Directors, has resigned from the directorship of the Company w.e.f. 31<sup>st</sup> July, 2020. He confirmed that there is no other material reasons of his resignation. Ms. Meenakshi Sharma, Independent Directors, has resigned from the directorship of the Company w.e.f. 31<sup>st</sup> August, 2020. She confirmed that there is no other material reasons of her resignation.
- K.** Shri Yuvraj Ahuja, Non-Executive Director, has resigned from the Directorship/Committees of the Company w.e.f 18<sup>th</sup> August 2021.
- L.** Shri Sandeep Chaudhari, Independent Director, has resigned from the Directorship/Committees of the Company w.e.f 18<sup>th</sup> August 2021.
- M.** Shri Rajendra Prasad Chauhan and Shri Sandeep Singh has been appointed as Independent Directors of the Company w.e.f. 1<sup>st</sup> August, 2020 and 1<sup>st</sup> September, 2020 respectively.
- N.** Ms. Srishti Dhir has been appointed as an Additional Non-Executive Director of the Company w.e.f. 23<sup>rd</sup> August 2021.

## Board Committees

To enable better and more focused attention on the affairs of the company, the Board delegates particular matters to Committees of the Board set up for the purpose. These committees prepare the ground work for decision making and report at the next Board Meeting.

### 3. Audit Committee:

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Members of the Audit Committee possess financial / accounting expertise / exposure.

#### The terms of reference of Audit Committee

The brief terms of reference of Audit Committee are as under:

1. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. examination of the financial statement and the auditors' report thereon;
4. approval or any subsequent modification of transactions of the company with related parties;
5. scrutiny of inter-corporate loans and investments;
6. valuation of undertakings or assets of the company, wherever it is necessary;
7. evaluation of internal financial controls and risk management systems;
8. monitoring the end use of funds raised through public offers and related matters.
9. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
10. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
11. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
12. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  13. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  14. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process
  15. valuation of undertakings or assets of the Company, wherever necessary.
  16. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  17. discussion with internal auditors of any significant findings and follow up there on;
  18. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  19. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

20. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. to review the functioning of the whistle blower mechanism;
22. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
23. To perform such other functions as may be prescribed by the Companies act, 2013 or the SEBI Listing Regulations, as amended or under any other law or as may be prescribed or specified by the Board from time to time.

The Audit Committee of Directors of the Company comprised of three Directors including Independent Directors and Executive Director.

### Composition & Meetings:

As on 31<sup>st</sup> March 2021, the composition of the Audit Committee are as follows:-

Sl. No.	Name	Category	Designation
1.	Shri Rajbir Singh Makhni	Independent Director	Chairman
2.	Shri Chandra Shekhar Pathak*	Independent Director	Member
3.	Shri Rajendra Prasad Chauhan*	Independent Director	Member
4.	Shri Ajay Virmani	Executive Director	Member

\*Due to resignation from directorship, Shri Chandra Shekhar Pathak ceased to be member of the Audit Committee w.e.f. 31<sup>st</sup> July, 2020. Shri Rajendra Prasad Chauhan was inducted as member of the Audit Committee w.e.f. 1<sup>st</sup> August, 2020.

The Audit Committee met Four (4) times during the financial year 2020-21 on the following dates:

20 <sup>th</sup> July, 2020	15 <sup>th</sup> September, 2020 (Adjourned) & 17 <sup>th</sup> September, 2020	12 <sup>th</sup> November, 2020	12 <sup>th</sup> February, 2021
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As on 31<sup>st</sup> March 2021, Attendance of the members at the meetings held was as follows:

Sl. No.	Name	Nos. of Meeting held	Nos. of Meeting attended
1.	Shri Rajbir Singh Makhni	4	4
2.	Shri Chandra Shekhar Pathak*	4	1
3.	Shri Rajendra Prasad Chauhan*	4	3
4.	Shri Ajay Virmani	4	4

\*Due to resignation from directorship, Shri Chandra Shekhar Pathak ceased to be member of the Audit Committee w.e.f. 31<sup>st</sup> July, 2020. Shri Rajendra Prasad Chauhan was inducted as member of the Audit Committee w.e.f. 1<sup>st</sup> August, 2020.

#### 4. Nomination and Remuneration Committee (NRC)

NRC identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board their appointment, remuneration & removal and shall carry out evaluation of every directors performance.

**The terms of reference of NRC shall, inter-alia, include the following:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board for their appointment and removal.

#### Composition & Meetings:

Committee consists of three Directors and all of them are Independent Directors and Non-Executive Directors.

As on 31<sup>st</sup> March 2021, the composition of the Nomination and Remuneration Committee are as follows:

Sl. No.	Name	Category	Designation
1	Shri Sandeep Chaudhari	Independent Director	Chairman
2	Shri Rajbir Singh Makhni	Independent Director	Member
3	Ms. Poonam Bisht	Independent Director	Member

The Committee met Four (4) times during the financial year 2020-21 on the following dates:

20 <sup>th</sup> July, 2020	27 <sup>th</sup> August, 2020	15 <sup>th</sup> September, 2020 (Adjourned) & 17 <sup>th</sup> September, 2020	12 <sup>th</sup> February, 2021
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As on 31<sup>st</sup> March 2021, Attendance of the members at the meetings was as follows:

Sl. No.	Name of Members	Nos. of Meeting held	Nos. of Meeting attended
1.	Shri Sandeep Chaudhari	4	4
2.	Shri Rajbir Singh Makhni	4	4
3.	Ms. Poonam Bisht	4	4

## 5. Remuneration of Directors:

The Company's philosophy for remuneration of Directors, KMP and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, KMP and other employees, which is aligned to this philosophy. During the year under review, details of Remuneration paid to Executive Directors are given below:

S. No.	Particulars	Name of Directors		
		Shri Ajay Virmani (Managing Director)	Shri Madhav Dhir (Executive Director)	Shri Deepak Mathur (Executive Director)
1.	Basic salary	48,15,000	24,00,000	16,43,520
2.	Allowance(s)	54,19,500	12,00,000	20,98,982
3.	Bonus	7,000	7,000	7,000
4.	Incentive(s)	-	-	-
	<b>Total</b>	<b>1,02,41,500</b>	<b>36,07,000</b>	<b>37,49,502</b>

The appointment of Executive Directors is governed by the resolutions passed by the Board and the Shareholders of the Company, which covers the terms and conditions of such appointment.

During the year under review, no sitting fees/ commission was paid to any Independent Director.

## 6. Stakeholders Relationship Committee

The Committee looks into the Redressal of Members grievances like transfer of shares, non-receipt of annual report, dividend/ warrant etc.

**Terms of Reference of the Committee, *inter alia*, includes the following**

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

**Composition & Meetings:**

As on 31<sup>st</sup> March, 2021, the composition of the Stakeholders and Relationship Committee are as follows:

Sl. No.	Name	Category	Designation
1	Shri Rakesh Ahuja	Non-Executive Director	Chairman
2	Shri Rajbir Singh Makhni	Independent Director	Member
3	Shri Ajay Virmani	Executive Director	Member

The Committee met Four (4) times during the financial year 2020-21 on the following dates:

20 <sup>th</sup> July, 2020	15 <sup>th</sup> September, 2020 (Adjourned) & 17 <sup>th</sup> September, 2020	12 <sup>th</sup> November, 2020	12 <sup>th</sup> February, 2021
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As on 31<sup>st</sup> March 2021, Attendance of the members at the meetings was as follows:

Sl. No.	Name of Members	Nos. of Meeting held	No. of Meeting attended
1.	Shri Rakesh Ahuja	4	4
2.	Shri Rajbir Singh Makhni	4	3
3.	Shri Ajay Virmani	4	4

## Compliance Officer

Shri Dipendra Chaudhary is Company Secretary and Compliance Officer of the Company for complying with requirements of Securities Laws and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Investor Grievance Redressal

The number of complaints received and resolved to the satisfaction of investors during the year under review are as under:

Sl. No.	Status of Complaints	Status
1.	Complaints pending as on 01.04.2020	0
2.	Complaints received during the year 2020-21	1
3.	Complaints resolved during the year 2020-21	1
4.	Complaints pending as on 31.03.2021	0

## 7. Risk Management Committee –

### Risk and Concerns

The substantial areas of concern for the Company are hike in power tariff, expansion of installed capacities in the domestic caustic industry, cheaper import of Caustic Soda, and increase in Cost of production.

### Risk Management

Any organization, public or private, large or small, faces internal and external uncertainties that affect its ability to achieve its objectives. The effect of uncertainty on an organization's objectives is "risk".

Risk management is a structured, consistent and continuous process, applied across the organization for the identification and assessment of risks, control assessment and exposure monitoring. The Company has in place Risk Management Committee to identify, assess and mitigate business risk. Risk identification, Assessment and minimization procedure of the Company are reviewed periodically to ensure that these reflect the current potential risks to its business.

The Company has identified

- (1) Production of Hazardous Chemicals-Caustic Soda and Chlorine;
- (2) Risk of Loss of production due to breakdown of Plant & Machinery and
- (3) Cost of Power – Being Power Intensive Industry.

During the Financial Year 2020-21 a meeting of Risk Management Committee was held on 12<sup>th</sup> February, 2021.

As on 31<sup>st</sup> March 2021, the composition of the Risk Management Committee is as follows:

SI. No.	Name	Category	Designation
1	Shri Ajay Virmani	Executive Director	Chairman
2	Shri Yuvraj Ahuja	Non-Executive Director	Member
3	Shri Madhav Dhir	Executive Director	Member
4	Shri Deepak Mathur	Executive Director	Member

## 8. Corporate Social Responsibility Committee (CSR Committee)–

Company has constituted Corporate Social Responsibility Committee, under the provisions of Section 135 of Companies Act, 2013, to formulate & recommend CSR policy for the Company to the Board. The CSR Committee is responsible to recommend the budget/expenditure as may be needed for the financial year and monitor the execution of CSR Policy of the Company and if required, to recommend modification in CSR Policy to Board.

During the Financial Year 2020-21 a meeting of Corporate Social Responsibility Committee was held on 12<sup>th</sup> February, 2021.

As on 31<sup>st</sup> March, 2021, the composition of CSR Committee is as follows:

SI. No.	Name	Category	Designation
1	Shri Ajay Virmani	Executive Director	Chairman
2	Shri Yuvraj Ahuja	Non-Executive Director	Member
3	Shri Madhav Dhir	Executive Director	Member
4	Ms. Poonam Bisht	Executive Director	Member

## 9. Annual General Body Meeting

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

Financial Year	Annual General Meeting		Time	Venue
	No.	Date		
2019-20	41 <sup>st</sup>	30 <sup>th</sup> December, 2020	11.00 A.M.	SP-460, Matsya Industrial Area, Alwar, (Raj)-301030
2018-19	40 <sup>th</sup>	30 <sup>th</sup> September, 2019	10.30 AM	SP-460, Matsya Industrial Area, Alwar, (Raj)-301030
2017-18	39 <sup>th</sup>	27 <sup>th</sup> September, 2018	10.30 AM	SP-460, Matsya Industrial Area, Alwar, (Raj)-301030

A gist of the Special Resolutions passed in the previous three Annual General Meetings is given below:

### 41<sup>st</sup> Annual General Meeting (30<sup>th</sup> December, 2020)

- To increase in remuneration to Shri Ajay Virmani (DIN: 00758726), Managing Director of the Company

**40<sup>th</sup> Annual General Meeting (30<sup>th</sup> September, 2019)**

- No special resolution was passed.

**39<sup>th</sup> Annual General Meeting (27<sup>th</sup> September, 2018)**

- Re-appoint & Payment of remuneration to Shri Ajay Virmani, Managing Director (DIN: 00758726) of the Company.
- To increase in the remuneration of Shri Madhav Dhir (DIN: 07227587), Whole Time Director of the Company.
- Re-appoint & Payment of remuneration to Shri Deepak Mathur (DIN: 07092786), Director (Technical) of the Company.

**Special Resolution passed through Postal Ballot:**

During the Financial year 2020-21, under review no Special Resolution has been passed through Postal Ballot.

There is no immediate proposal for passing any Special Resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

**10. Means of Communications**

The Unaudited Quarterly / Half Yearly/Yearly Financial Results of the Company are published in English and local language newspapers as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and intimation of the same also sent to Stock Exchanges from time to time. The aforesaid results are also available on the Website of the Company [www.lordschloro.com](http://www.lordschloro.com). Management discussion and analysis form as a part of annual report and is given in a separate chapter thereto.

**11. General Shareholder Information**

- |                                       |   |
|---------------------------------------|---|
| <b>i) Day, Date &amp; Time of AGM</b> | Tuesday, 28 <sup>th</sup> September, 2021 at 11.00 A.M.   |
| <b>Venue of AGM</b>                   | : Regd. Off. - SP-460, Matsya Industrial Area, Alwar (Raj.)- 301030   |
| <b>ii) Financial Year</b>             | : 1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2021   |
| <b>iii) Book Closure Period</b>       | : Saturday, 25 <sup>th</sup> September, 2021 to Tuesday, 28 <sup>th</sup> September, 2021 (Both days Inclusive) |
| <b>iv) E-voting period</b>            | Friday, 24 <sup>th</sup> September, 2021 (9.00 A.M. IST) to Monday, 27 <sup>th</sup> September, 2021 (5.00 p.m) |
| <b>v) Listing of Shares</b>           | : BSE Limited   |

- vi) **Stock Code** : 500284 (BSE Ltd.)  
**Scrip id** : LORDSCHLO  
**ISIN NO.** : INE846D01012
- vii) **Registrar & Share Transfer Agent:** M/s. Alankit Assignments Limited,  
“Alankit Heights” 205-208, Anarkali Complex,  
Jhandewalan Extension,  
New Delhi - 110 055.  
Phone No. 011-42541234, 23541234  
Fax No. 011-41543474.  
Email: [rta@alankit.com](mailto:rta@alankit.com), [maheshcp@alankit.com](mailto:maheshcp@alankit.com)
- viii) **Plant Location** : SP-460, Matsya Industrial Area, Alwar (Raj.)-  
301030
- ix) **Addresses for Correspondence** : 1) Registered Office: SP-460, Matsya  
Industrial  
Area, Alwar, (Raj.)- 301030  
2) Corporate Office: A-281, 1<sup>st</sup> Floor, Defence  
Colony, New Delhi - 110024.
- x) **Compliance Officer** : Shri Rajiv Kumar  
**Email id :** : [secretarial@lordschloro.com](mailto:secretarial@lordschloro.com)

**xi) Market Price Data**

Month	High Price (In Rs.)	Low Price (In Rs.)
Apr-20	31.80	18.00
May-20	29.75	25.35
Jun-20	34.00	28.10
Jul-20	33.95	28.40
Aug-20	44.75	27.70
Sep-20	45.00	31.50
Oct-20	37.80	29.30
Nov-20	32.50	27.75
Dec-20	35.95	29.90
Jan-21	35.70	31.05
Feb-21	34.20	28.55
Mar-21	34.40	28.00

Source: BSE Website

**xii) Share Transfer System & Dematerialization of Shares**

The Company has appointed M/s. Alankit Assignments Ltd. as Registrar and Share Transfer Agent (RTA) for share transfer work and to resolve other grievance of the members. The process for transfer/ transmission, on weekly basis and complete in all respects, are processed within 15 days.

The Company's shares are traded in the Stock Exchanges compulsorily in demat modes. Therefore, for dematerialisation, Members are requested to kindly note that physical documents, viz Demat Request Forms (DRF) and Share Certificates etc. should be sent by their Depository Participants (DP's) directly to the Registrar and Transfer Agents (RTA). NSDL and CDSL, (Depositories) Mumbai have allotted ISIN: INE846D01012 for dematerialization of equity shares of the Company.

**xiii) Listing**

The Equity Shares of the Company is listed with BSE Ltd. The Company has paid listing fees to the BSE Ltd. upto the year 2020-21. The Company is regularly complying with all the compliances pertaining to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Annual Custodial fees for the year 2020-21 has been paid by the Company to NSDL & CDSL.

**xiv) MD and CFO Certification**

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, necessary certificate, obtained from Managing Director and CFO of the Company for the financial year ended on 31<sup>st</sup> March, 2021 was placed before the Board of Directors of the Company.

**xiv) Dematerialization of Shares as on 31<sup>st</sup> March, 2021**

Particulars	Shares on 31 <sup>st</sup> March, 2021	%
Physical Shares	3903312	15.52
NSDL	17705736	70.39
CDSL	3544813	14.09
<b>Total</b>	<b>25153861</b>	<b>100.00</b>

**xv) Share Price performance in comparison to broad based indices- BSE**

Particulars	LCAL Share Price v/s BSE	
	Share Price	BSE Sensex
As on 1 <sup>st</sup> April, 2020	18.00	28,265.31
As on 31 <sup>st</sup> March, 2021	31.65	49,509.15
Changes (%)	75.83	75.16

**xvi) Distribution of Shareholding as on 31<sup>st</sup>March, 2021**

Category	No. of Shareholders	% of Shares
1 to 5000	43188	99.89
5001-10000	10	0.02
10001-20000	6	0.01
20001-30000	5	0.01
30001-40000	3	0.01
40001-50000	0	0.00
50001-100000	5	0.01
100001 and above	20	0.05

**12. Disclosures**

- a) There is no materially significant related party transactions that may have potential conflict with the interests of listed entity at large.

All transactions entered into with related parties as defined under the Companies Act, 2013 and the Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Details of related party transactions are furnished under schedule to the 'Notes to Accounts' of the Financial Statement as at 31st March, 2021.

The Policy on Related Party Transaction are available at the website of the company <http://www.lordschloro.com/pdfs/policy-on-related-party-transactions.pdf>.

- b) Disclosure regarding non-compliance, penalties, 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 has been given below:

Further, during the year under review, SEBI has imposed fine on the company for non-compliance of Regulation 33 of the SEBI (LODR) Regulations, 2015 for the quarter ended June, 2020. Due to COVID-19, there was delay of Two days for consolidation and approval of unaudited financial results for the Quarter ended on 30<sup>th</sup> June 2020. The Company had paid the fine of Rs. 11,800 (including GST) on 23<sup>rd</sup> October, 2020 within time.

- c) The company has established a Whistle Blower Policy and Vigil Mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy and the board affirm that no personnel has been denied access to the audit committee.

The Whistle Blower Policy and Vigil Mechanism are available at the website of the company <http://www.lordschloro.com/pdfs/lcal->

[whistle-blwer.pdf](#).

- d) The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As regard the non-mandatory requirements, Company tries to implement them to the extent possible.
- e) The Company has not raised any funds through qualified institutions placement and also there are no unutilized amount w.r.t. the funds raised by the Company through preferential allotment as specified under Regulation 32 (7A) of SEBI Listing Regulations during the year.
- e) The Company has obtained a certificate from M/s SSPK & Co., Company Secretaries, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such other Statutory Authority.
- f) During the year under review, all recommendation of the Committees of the Board which were mandatorily required have been accepted by the Board.
- g) In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, no complaint pertaining to sexual harassment at workplace has been reported to the Committee during the financial year ended 31<sup>st</sup> March, 2021.
- h) During the year under review, total fees for all services paid by the Company to the statutory auditor is Rs. 4,05,000/-plus GST.

### 13. Code of Conduct

Your Company has adopted a Code of Conduct for all the Board Members and Senior Management Personnel of your Company in accordance with the requirement under Regulation 17 of the Listing Regulations. The Code of Conduct has been posted on the website of your Company. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year 2020-21. A declaration to this effect received under clause D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was obtained from Shri Ajay Virmani, Managing Director of the Company.

### 14. Compliance Certificate

Certificate from the Practicing Company Secretary, Shri Sanjeev Pandey Partner of M/s SSPK & Co., confirming compliance with conditions of Corporate Governance as stipulated under Clause E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached to this Report.

## Management Discussion and Analysis

### **1. Industry structure and developments**

According to reports, the global Chemical Industry witnessed a sea change due to the Covid-19 outbreak; there was a shift in the global supply chain. Indian Chemical Industry was expected to grow further. It was on a steady rise and was expected to reach greater heights. However the deadly Covid-19 outbreak had a very significant impact on the business. The nationwide lockdown that started in March 2020 had immediate negative impact on the economy. According to reports, it caused a very sharp decline in GDP for the Q1 of FY 2020-21. The phased unlocking led to some normalcy and moderate growth was witnessed in Q2 and Q3 of FY 2020-21. As per reports, the Indian economy grew at 1.6% in the Q4 of FY 2020-21, however the second wave of infections hit the economy hard leading to further shrink in the economy.

### **2. Opportunities and Threats**

The Company has built sophisticated manufacturing facilities at its Plant having installed capacity of 275 MT per day of Caustic Soda situated in Alwar at Matsya Industrial Area, Alwar (Rajasthan) which is located at a distance of about 160 KMs from Delhi having locational advantage in chlora –alkali deficit region. The Company is strategically located in the heart of North India where the demand for its products is more than the supply. We supply our products to paper, soap, dyes, chemicals, and plastic industries based at the western part of the UP, Haryana, Punjab, Rajasthan & Delhi. Further Company is also working on a few new products for captive consumption of Chlorine for which environment clearance has already been taken.

During the year, the domestic caustic soda prices remained at multi-year lows. This was due to drop in international prices during the previous year. Further the demand slowdown in the domestic market coupled with increase in domestic capacities has led to significant pricing pressures in the domestic market. We expect the prices to stabilize from here and positive momentum in domestic prices is expected to be seen from second half of next financial year.

### **3. Segment-wise or product-wise performance**

The Company is operating in only one segment i.e. Chloro Alkali. The Company has increased its production capacity to 210 TPD. Now all the electrolyzers are based on new technology which is more reliable, energy efficient and has made the Company to stay in the market. Company has a plan to increase the Caustic soda capacity to 300 TPD in near future. Further your Company is also working on a few new products for captive

consumption of Chlorine for which environment clearance has already been taken. Due to Covid-19 pandemic project of captive chlorine consumption plant could not be taken up this year but your company is actively considering one or two new products to be launched next year. But revival is now seen in the economy, the prices and the demand for all the Chloro-Alkali products are likely to improve during 2021-22.

#### **4. Outlook**

Economic condition around the globe seems to remain weak due to ongoing pandemic scenario. Measures taken by Government will bring down the spread of COVID which in turn result in opening of the markets and increased demand pattern, however full impact of pandemic on Indian economy is not predictable. Company is all set to capitalize on the growing demand in chemical sector supported by Government initiatives. Demand for company's products will probably increase in second half of the coming year. Company is targeting to achieve optimum production level and sales realization in coming year. Sodium hypochlorite and other chlorine derivatives are to be added in existing product line to avoid price fluctuations of chlorine market to some extent.

#### **5. Risks and concerns**

The Company is engaged in the manufacturing of hazardous chemical i.e. caustic soda through highly technical process and having industrial safety risk, environmental and other regulatory risks. The Company is following the standard safety measures and very conscious of adhering to the norms to keep air and water pollution under check and is systematically bringing in technology and awareness in the staff and workers to be sensitive to mother Earth. We are continuously making endeavors to have safe operations by training and conducting various safety audits/ mock drills.

#### **6. Internal control systems and their adequacy**

The Company has well-established and robust internal control systems in place that are commensurate with the nature of its businesses, size & scale and complexity of its operations. Roles and responsibilities are clearly defined and assigned. The Company has also put in place adequate internal financial controls with reference to the financial statements by adopting accounting policies which are in line with the Accounting Standards as prescribed. The Management periodically reviews the financial performance of the Company against the approved plans across various parameters and takes necessary action, wherever necessary.

#### **7. Discussion on financial performance with respect to operational performance**

The total revenue from operations was Rs. 15,410.12 Lakhs during the year which was 24.34% decreased as compared to total revenue from

operations of Rs. 20,368.88 Lakhs previous year. The revenue was impacted due to reduction in price and demand of caustic soda in India which was due the slow economy growth in manufacturing/production in India. Covid-19 pandemic has also impacted financial and operation performance during the first quarter and thereafter announcement of countrywide lockdown.

## 8. Human Resources

Company continues to focus on training its employees on a continuous basis. The Company is having a very harmonious relationship with its work force and constantly work for their intellectual and financial betterment.

## I. Key Financial Ratios:

S.No.	Particulars	FY 2020-21	FY 2019-20
1.	Debtors Turnover	8.04	15.67
2.	Inventory Turnover	8.42	15.95
3.	Interest Coverage Ratio	0.40	5.56
4.	Current Ratio	1.35	1.62
5.	Debt Equity Ratio	1.14	1.00
6.	Operating Profit Margin	1.04	8.24
7.	Net Profit Margin	(1.32)	5.06

### Detailed explanation of Ratios:

#### Debtors Turnover:

Debtor turnover ratio has decreased by 49% as compared to previous year due to lower sales during the year and lower collection in the month of March due to Covid-19 Pandemic.

#### Inventory Turnover

Inventory turnover ratio has decreased by 47% as compared to previous year.

#### Interest Coverage Ratio

Interest coverage ratio has decreased by 93% due to lower profits as compared to previous year.

#### Current Ratio

Current ratio has decreased by 17% as compared to previous year due to shrink in margins resulting increase in working capital requirement.

#### Debt Equity Ratio

Debt equity ratio has improved by 14% due to increase in net worth and decrease in debt as compare to previous year.

### **Operating Profit Margin**

Operating profit margin has decreased by 87% due to lower sales and margins as compared to previous year.

### **Net Profit Margin**

Net profit margin has also decreased by 126% due to lower sales and Margin as compared to previous year.

## **II. Return on Net Worth**

Return on Net worth was (2.43)% in comparison to 12.02% previous year due to lower sales and lower margins as compared to previous year.

### **Cautionary Statement**

The statement made in this report describing the Company's expectations and estimations may be a forward looking statement within the meaning of applicable securities laws and regulations. Actual results may differ from those expressed or implied in this report due to the influence of external and internal factors which are beyond the control of the Company.

**CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE**

To,  
The Members,  
Lords Chloro Alkali Limited

We have examined the compliance of conditions of Corporate Governance by M/s. Lords Chloro Alkali Limited (the "Company"), for the year ended March 31, 2021 as stipulated in Chapter IV and

Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulation"), as applicable.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Our examination is 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 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 and the representation made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the said Clause of the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For SSPK & Co.  
Company Secretaries**

**Date : 28.06.2021  
Place : Delhi**

**Sanjeev Pandey  
Partner  
Mem No.: F10272  
COP No.: 17237  
UDIN: F010272C000530990**

**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31<sup>st</sup> March, 2021.

**Place: New Delhi  
Date: 23<sup>rd</sup> August 2021**

**Sd/-  
Ajay Virmani**

## Independent Auditors' Report

### To The Members of Lords Chloro Alkali Limited Report on the Audit of the Financial Statements Opinion

We have audited the accompanying financial statements of Lords Chloro Alkali Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, 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 opinion.

#### Emphasis of Matters

We draw attention to:

- a) Note No.17 to the financial statements, wherein, in connection with our audit, we noted that the Company had not been able to meet certain compliances of 'Financial Covenants' as given in the Loan Agreement, dated 29 May 2019 executed with HDFC Bank Ltd. Due to non-compliance with the financial covenants, the company has reclassified its 'Borrowings' of Rs. 617.99 lakhs from 'Non-current liabilities' to 'Current liabilities' as at 31 March 2021.
- b) Note No. 45 of the financial statements, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the management.

Our opinion is not modified in respect of the above stated matters.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 matter described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<b>Borrowings</b>	
<p>As at March 31, 2021, the Company had a borrowing liability of Rs. 6,059.98 Lakhs representing 63.32% of total liabilities. Borrowings as a percentage of the total assets size of the Company is 33.75% as at March 31, 2021.</p> <p>The borrowings are under agreements with terms and conditions detailed in Note No. 17 of the financial statements.</p> <p>Given the size of the borrowings balance and the importance of the capital structure for continued growth, the accounting for the Company's borrowings is considered a key audit matter.</p>	<p>Our audit procedures in respect of this area included:</p> <ul style="list-style-type: none"> <li>• We read the agreements between the Company and its financiers to understand the terms associated with the facilities.</li> <li>• We obtained confirmations from the Company's banks/financial institutions to confirm all significant borrowings, including amounts, tenure and conditions.</li> <li>• Where debt is regarded as non-current, we tested whether the Company has the unconditional right to defer payment such that there were no repayments required within 12 months from the balance date.</li> <li>• We further considered whether the disclosures related to the borrowings in the financial statements are appropriate in all material respects.</li> </ul>

### Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with

the financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 matter 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 (Auditors' 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, 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 Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
  - g) 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.
  - 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, as amended 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 financial statements- Refer Note No. 43 A to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- ii. There has been delay in transferring the amounts, which was required to be transferred to the investor education and protection fund by the company- Refer Note No. 44 to the financial statements.

**For Gupta Vigg & Co.***Chartered Accountants*

Firm's Registration Number: 001393N

**(CA. Deepak Pokhriyal)***Partner*

Membership Number: 524778

UDIN: 21524778AAAACO2102

Place of Signature: New Delhi

Date: 28 June, 2021

### Annexure 'A' To the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2021, we report that:

- (i) In respect of fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a regular programme of verification of fixed assets. All the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to size of the Company and nature of fixed assets. No material discrepancies were noticed on such verification.
  - (c) On the basis of information and explanation provided by the management, the title deeds of immovable properties are held in the name of the Company.
- (ii) On the basis of information and explanation provided by the management, inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on physical verification of inventories by the management.
- (iii) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of paragraphs 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 of the Act. The company has complied with the provisions of Sections 186 of the Act in respect of investments made. The Company has not granted any loans, and has not provided any guarantees or securities to parties covered under Section 186 of the Act.
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under subsection (I) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts

and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and service tax, cess and other applicable statutory dues with the appropriate authorities though there have been delays in some cases.

There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, duty of customs, goods and service tax, cess and other applicable statutory dues in arrears as at March 31 2021 for a period of more than six months from the date they became payable except below:

S. No.	Nature of Dues	Amount (Rs. In Lakhs)
1	Investor Education and Protection Fund	11.64

(b) There are no dues of income tax, sales tax, value added tax, service tax, goods and service tax, duty of customs, duty of excise which have not been deposited with the appropriate authorities on account of any dispute.

(viii) Based on our audit procedures and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to any bank. The Company has not borrowed any loan from financial institution or Government. The Company has not issued any debentures.

(ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Based on our audit procedures and on the information given by the management, we report that term loans have been utilized for the purpose, for which they have been raised.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) The Company has paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to Act.

(xii) The Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the

related parties are in compliance with section 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

**For Gupta Vigg & Co.***Chartered Accountants*

Firm's Registration Number: 001393N

**(CA. Deepak Pokhriyal)**

Partner

Membership Number: 524778

UDIN: 21524778AAAACO2102

Place of Signature: New Delhi

Date: 28 June, 2021

## **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 of even date to the Members of Lords Chloro Alkali Limited)

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

#### **Opinion**

We have audited the internal financial controls with reference to financial statements of Lords Chloro Alkali Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements 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.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 with reference to financial statements.

### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control 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 control 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

### **For Gupta Vigg & Co.**

*Chartered Accountants*

Firm's Registration Number: 001393N

### **(CA. Deepak Pokhriyal)**

Partner

Membership Number: 524778

UDIN: 21524778AAAACO2102

Place of Signature: New Delhi

Date: 28 June, 2021

**Balance Sheet as at 31 March 2021**

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
(1) <b>Non-current assets</b>			
a) Property, plant and equipment	2	11,674.10	11,984.80
b) Capital work-in-progress	3	43.51	-
c) Right-of-use assets	4	401.49	56.66
d) Intangible assets under development	5	15.05	7.75
e) Financial assets			
i) Investments	6	19.18	7.91
ii) Loans	7A	-	1.68
f) Other non-current assets	8	465.33	412.73
<b>Total non-current assets</b>		<b>12,618.66</b>	<b>12,471.53</b>
(2) <b>Current assets</b>			
a) Inventories	9	2,168.16	1,493.36
b) Financial assets			
i) Trade and other receivables	10	2,131.49	1,699.88
ii) Cash and cash equivalents	11	19.65	613.18
iii) Bank balances other than (ii) above	12	100.62	0.44
iv) Loans	7B	49.87	47.75
c) Current tax assets (net)	13	93.00	86.61
d) Other current assets	14	775.36	726.65
<b>Total current assets</b>		<b>5,338.15</b>	<b>4,667.87</b>
<b>TOTAL ASSETS</b>		<b>17,956.81</b>	<b>17,139.40</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	15	2,515.39	2,515.39
b) Other equity	16	5,871.46	6,057.35
<b>Total Equity</b>		<b>8,386.85</b>	<b>8,572.74</b>
<b>Liabilities</b>			
(1) <b>Non-current liabilities</b>			
a) Financial liabilities			
i) Borrowings	17	3,571.63	4,223.30
ii) Lease liabilities	18A	377.53	24.54
b) Provisions	19A	156.49	165.46
c) Deferred tax liabilities (net)	20	503.75	531.75
d) Other non-current liabilities	21	1,013.26	745.06
<b>Total non-current liabilities</b>		<b>5,622.66</b>	<b>5,690.11</b>
(2) <b>Current liabilities</b>			
a) Financial liabilities			
i) Borrowings	17	1,449.52	1,580.64
ii) Trade payables	22	-	-
-total outstanding dues to micro and small enterprises		-	-
-total outstanding dues to creditors other than micro and small enterprises		149.00	101.92
iii) Lease liabilities	18B	24.48	34.72
iv) Other financial liabilities	23	1,253.76	348.43
b) Other current liabilities	24	912.55	664.04
c) Provisions	19B	157.99	146.80
<b>Total current liabilities</b>		<b>3,947.30</b>	<b>2,876.55</b>
<b>Total liabilities</b>		<b>9,569.96</b>	<b>8,566.66</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>17,956.81</b>	<b>17,139.40</b>

Summary of significant accounting policies and accompanying notes form an integral part of these financial statements.

This is the balance sheet referred to in our report of even date attached.

**For and on behalf of Board of Directors of  
Lords Chloro Alkali Limited**
**For Gupta Vigg & Co.**  
Chartered Accountants  
Firm Registration No. 001393N

**Yuvraj Ahuja**  
Director  
DIN: 00164675

**Madhav Dhir**  
Director  
DIN 07227587

**Ajay Virmani**  
Managing Director  
DIN 00758726

**CA. Deepak Pokhriyal**  
Partner  
Membership No. 524778  
UDIN : 21524778AAAACO2102

**Dipendra Chaudhary**  
Company Secretary  
M.No. A34853

**Rajiv Kumar**  
Chief Financial Officer  
M.No. 508277

 Place: New Delhi  
Date: 28 June 2021

**Statement of profit and loss for the year ended 31 March 2021**  
**(All amounts in INR Lakhs, unless otherwise stated)**

Particulars	Notes No.	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>I Revenue</b>			
Revenue from operations	25	15,410.12	20,368.88
Other income	26	322.90	150.16
<b>Total revenue</b>		<b>15,733.02</b>	<b>20,519.04</b>
<b>II Expenses</b>			
Cost of materials consumed	27	2,646.90	3,246.71
Purchases of stock-in-trade	28	28.50	11.12
Changes in inventories of finished goods and work-in-progress	29	(519.30)	(396.90)
Employee benefit expenses	30	1,026.53	1,085.18
Finance costs	31	399.34	301.60
Depreciation and amortization expense	32	640.92	624.94
Power and fuel		10,645.61	13,028.06
Other expenses	33	1,103.63	1,242.55
<b>Total expenses</b>		<b>15,972.13</b>	<b>19,143.26</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>(239.11)</b>	<b>1,375.78</b>
Exceptional items		-	-
<b>III Profit/(Loss) before tax</b>		<b>(239.11)</b>	<b>1,375.78</b>
<b>IV Tax expense</b>	34		
Current tax		-	239.35
Deferred tax charge/(credit)		(35.02)	95.98
Earlier year tax adjustment (net)		-	10.43
<b>Total tax expense</b>		<b>(35.02)</b>	<b>345.76</b>
<b>V Profit/(Loss) for the year</b>		<b>(204.09)</b>	<b>1,030.02</b>
<b>VI Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
-Remeasurement of post employment benefit obligations		25.22	(7.23)
-Income tax relating to items that will not be reclassified to profit & loss		(7.02)	2.10
<b>Total other comprehensive (loss)/income</b>		<b>18.20</b>	<b>(5.13)</b>
<b>VII Total comprehensive income/(loss) for the year</b>		<b>(185.89)</b>	<b>1,024.89</b>
<b>VIII Earnings per equity share (Rs 10 per share):</b>	35		
(1) Basic		(0.81)	4.09
(2) Diluted		(0.81)	4.09

Summary of significant accounting policies and accompanying notes form an integral part of these financial statements.

This is the balance sheet referred to in our report of even date.

**For and on behalf of Board of Directors of  
Lords Chloro Alkali Limited**

**For Gupta Vigg & Co.**  
Chartered Accountants  
Firm Registration No. 001393N

**Yuvraj Ahuja**  
Director  
DIN: 00164675

**Madhav Dhir**  
Director  
DIN 07227587

**Ajay Virmani**  
Managing Director  
DIN 00758726

**CA. Deepak Pokhriyal**  
Partner  
Membership No. 524778  
UDIN : 21524778AAAACO2102

**Dipendra Chaudhary**  
Company Secretary  
M.No. A34853

**Rajiv Kumar**  
Chief Financial Officer  
M.No. 508277

Place: New Delhi  
Date: 28 June 2021

**Cash flow statement for the year ended 31 March 2021**

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Cash Flow from Operating activities</b>		
Profit/ (Loss) before tax	(239.11)	1,375.78
<b>Adjustments for: -</b>		
Depreciation and amortisation	640.92	624.94
Finance cost	399.34	301.60
Dividend income	-	(0.12)
Rent expenses on lease	0.15	-
Net (Gain)/Loss arising on financial assets measured at FVTPL	(11.28)	3.91
Balance written off/(back)	(11.71)	(146.33)
Interest income classified as investing cash flows	(3.95)	(3.70)
(Gain)/ Loss on disposal of property, plant and equipment (net)	(295.96)	54.07
<b>Operating profit before working capital changes</b>	<b>478.40</b>	<b>2,210.15</b>
<b>Movement in working capital</b>		
Movement in trade receivables	(431.22)	(799.49)
Movement in inventories	(674.80)	(432.37)
Movement in trade payables	47.08	59.10
Movement in loans current & non current (asset)	(0.54)	(2.45)
Movement in other current and non current asset	(39.59)	(230.53)
Movement in provisions	27.42	48.20
Movement in other current and non current liabilities	527.88	144.17
<b>Cash generated from operations</b>	<b>(65.37)</b>	<b>996.78</b>
Income taxes paid (net of refund)	-	(367.01)
<b>Net cash flow /(used in) from operating activities (A)</b>	<b>(65.37)</b>	<b>629.77</b>
<b>Cash flow from investing activities</b>		
Payment for procurement of property, plant & equipment including Capital advances & capital work-in-progress	(434.47)	(117.78)
Proceeds on disposal of property, plant and equipment	319.07	66.47
Payment for margin money and bank deposits	(100.62)	(0.44)
Interest received	-	3.70
Dividend received	-	0.12
<b>Net cash flow /(used in) investing activities (B)</b>	<b>(216.02)</b>	<b>(47.93)</b>
<b>Cash flow from financing activities*</b>		
Proceeds from long term borrowings	1,566.16	4,521.63
Proceeds from short term borrowings	-	1,580.64
Repayment of long term borrowings	(1,439.00)	(6,853.61)
Repayment of short term borrowings	(131.12)	-
Repayment of principal portion of lease liabilities	(35.36)	(31.59)
Interest paid on lease liabilities	(8.21)	(7.05)
Finance cost paid	(264.62)	(282.83)
<b>Net cash flow /(used in) financing activities (C)</b>	<b>(312.14)</b>	<b>(1,072.81)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>	<b>(593.53)</b>	<b>(490.97)</b>
Cash and cash equivalents as at the beginning of the year	613.18	1,104.15
Cash and cash equivalents as at the end of the year	<b>19.65</b>	<b>613.18</b>

\*Refer note 17 A for reconciliation of liabilities arising from financing activities

This is the Cash flow statement referred to in our report of even date.

**Note:**

(i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) Statement of Cash Flow.

(ii) Cash flows from operating activities include Rs. 102.25 lakhs (31 March 2020 Rs. 7.58 lakhs) being expenses towards Corporate Social Responsibility initiatives.

**For and on behalf of Board of Directors of  
Lords Chloro Alkali Limited**
**For Gupta Vigg & Co.**

Chartered Accountants

Firm Registration No. 001393N

**Yuvraj Ahuja**  
Director

DIN: 00164675

**Madhav Dhir**  
Director

DIN: 07227587

**Ajay Virmani**  
Managing Director  
DIN: 00758726

**CA. Deepak Pokhriyal**  
Partner

Membership No. 524778

UDIN : 21524778AAAACO2102

**Dipendra Chaudhary**  
Company Secretary  
M.No. A34853

**Rajiv Kumar**  
Chief Financial Officer  
M.No. 508277

 Place: New Delhi  
Date: 28 June 2021

**Statement of changes in equity for the year ended 31 March 2021**

(All amounts in INR Lakhs, unless otherwise stated)

**A Equity share capital\***

Particulars	As at March 31, 2021	As at March 31, 2020
Balance as at beginning of the year	2,515.39	2,515.39
Changes in equity share capital during the year	-	-
<b>Balance as at the end of the year</b>	<b>2,515.39</b>	<b>2,515.39</b>

**B Other equity\*\***

Particulars	Reserves and surplus			Total
	Capital reserve	Security premium reserve	Retained earnings	
<b>Balance as at 1 April 2019</b>	<b>1.21</b>	<b>2,082.06</b>	<b>2,949.19</b>	<b>5,032.46</b>
<b>Addition during the year</b>				
Profit for the year	-	-	1,030.02	1,030.02
Items of OCI (net of tax)				
-Remeasurement benefit of defined benefit plans	-	-	(5.13)	(5.13)
<b>Balance as at 31 March 2020</b>	<b>1.21</b>	<b>2,082.06</b>	<b>3,974.08</b>	<b>6,057.35</b>
<b>Addition during the year</b>				
Profit/ (loss) for the year	-	-	(204.09)	(204.09)
Items of OCI (net of tax)				
-Remeasurement benefit of defined benefit plans	-	-	18.20	18.20
<b>Balance as at 31 March, 2021</b>	<b>1.21</b>	<b>2,082.06</b>	<b>3,788.19</b>	<b>5,871.46</b>

\*Refer note no. 15 for details

\*\*Refer note no. 16 for details

Summary of significant accounting policies and accompanying notes form an integral part of these financial statements.

This is the statement of change in equity referred to in our report of even date attached.

**For and on behalf of Board of Directors of  
Lords Chloro Alkali Limited**
**For Gupta Vigg & Co.**  
Chartered Accountants  
Firm Registration No. 001393N

**CA. Deepak Pokhriyal**  
Partner  
Membership No. 524778  
UDIN : 21524778AAAACO2102

 Place: New Delhi  
Date: 28 June 2021

**Yuvraj Ahuja**  
Director  
DIN: 00164675

**Dipendra Chaudhary**  
Company Secretary  
M.No. A34853

**Madhav Dhir**  
Director  
DIN: 07227587

**Ajay Virmani**  
Managing Director  
DIN: 00758726

**Rajiv Kumar**  
Chief Financial Officer  
M.No. 508277

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

1. Corporate information and statement of compliance with Indian Accounting Standards (Ind AS)

Lords Chloro Alkali Limited (“the Company”) a public limited company domiciled in India and having its registered office at SP-460, Matsya industrial area, Alwar (Rajasthan) - 301030, was incorporated under the provisions of Companies Act, 1956. The Company is primarily engaged in the business of manufacturing of caustic soda and other chemicals.

The financial statements of the Company have been prepared to comply in all material respects with accounting principles generally accepted in India, including Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 under Section 133 of the Companies Act, 2013 (the “Act”) and other relevant provisions of the Act.

2. **Basis of preparation and significant accounting policies**

**Basis of preparation**

The financial statements have been prepared on accrual and going concern basis under historical cost convention except for certain financial instruments and plan assets, which are measured at fair values.

**The significant accounting policies and measurement bases have been summarised below.**

**Current versus non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and as per terms of agreements wherever applicable. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

a. **Revenue recognition and presentation:**

Revenue arises mainly from the sale of manufactured and traded goods.

To determine whether to recognize revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognizing revenue when/as performance obligation(s) are satisfied.

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and service tax, etc.

Revenue is recognized either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

**Sale of goods**

Revenue from sale of goods is recognised when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods.

**Interest income**

Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable. For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

**Dividend**

Dividend are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**b. Inventories**

Finished goods, works-in-process, raw material, stores & spares and packing material are valued at lower of cost and net realisable value. Cost of inventory has been arrived at by using the weighted average cost formula. Cost of inventory comprises. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. Stock of scrap is valued at estimated realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

**c. Income taxes**

Tax expense recognised in the statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income (OCI) or directly in equity.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Current tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (i.e. in OCI or equity depending upon the treatment of underlying item).

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside statement of profit and loss (in OCI or equity depending upon the treatment of underlying item).

**d. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**e. Foreign currency transactions**

The financial statements are presented in Indian Rupee ('INR' or 'Rs.') which is also the functional currency of the Company.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/ expenses, as the case maybe.

**f. Financial instruments**

*Initial recognition and measurement*

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below:

**Non-derivative financial assets**

*Subsequent measurement*

**i. Financial assets carried at amortised cost** – a financial asset is measured at the amortised cost, if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

**ii. Fair value through profit or loss** – Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

**iii. Fair value through OCI-** A financial assets measured at FVOCI if both of the following conditions are met:

- The Company's business model objectives for managing the financial assets is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial assets given raise in specified dates to cash flows that are solely payments.

**g. Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

**h. Property, plant and equipment ('PPE')**

*Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, taxes (non-recoverable) borrowing cost if capitalisation criteria are met and other expenses, directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and definition of asset is met. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognised as interest expense and not included in cost of asset.

*Subsequent measurement (depreciation and useful life)*

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

*De-recognition of PPE*

The carrying amount of an item of property, plant and equipment shall be derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

**i. Capital work-in progress**

Cost of material consumed and erection charges thereon along with other direct cost incurred by the Company for the projects are shown as capital work-in-progress until capitalisation. Claims for price variation / exchange rate variation in case of contracts are accounted for on acceptance / receipt of claim.

**j. Impairment of non-financial assets**

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For this purpose, assets are compared at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or company of assets (cash generating units). If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

*Impairment of financial assets*

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

**Trade receivables:** In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

**Other financial assets:** In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

*De-recognition of financial assets*

A financial asset is primarily de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**Non-derivative financial liabilities**

*Subsequent measurement*

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

*De-recognition of financial liabilities*

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**Offsetting of financial instruments**

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

**k. Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**a) Right-of-use assets**

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

**b) Lease liabilities**

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate,

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

and amounts expected to be paid under residual, value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

**c) Short-term lease and lease of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term lease and lease of low-value assets are recognized as expense on a straight-line basis over the lease term.

**I. Borrowing costs**

Borrowing costs directly attributable to the acquisitions, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption.

**m. Provisions, contingent liabilities and contingent assets**

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises when there is a presence of

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

**n. Employee benefits**

Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard 19- Employee Benefits.

**Defined benefit plans***Gratuity*

The Company operates one defined benefit plan for its employees, viz. gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gain and loss for the defined benefit plan is recognized in full in the period in which they occur in other comprehensive income.

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

**Other long-term benefits**

Accumulated leave expected to be carried forward beyond twelve months, is treated as long term employee benefit. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short term employee benefit.

Liability under continuity linked key resource and deferred salary schemes is provided for on actuarial valuation basis, which is done as per the projected unit credit method at the end of each financial period.

**Defined contribution plans**

**Provident Fund**

The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which services are rendered by the employee.

**Short-term employee benefits**

Expense in respect of other short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

**o. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**p. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting done to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments of the Company.

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

**3. Significant accounting judgments, estimates and assumptions**

When preparing the financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgments, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below:

**Significant judgments:**

**(i) Evaluation of indicators for impairment of non-financial assets**

The evaluation of applicability of indicators of impairment of non-financial assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**(ii) Recognition of deferred tax assets**

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised. The recognition of deferred tax assets and reversal thereof is also dependent upon management decision relating to timing of Availment of tax holiday benefits available under the Income Tax Act, 1961 which in turn is based on estimates of future taxable profits.

**Sources of estimation uncertainty:**

**(i) Provisions**

At each balance sheet date, basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from management's estimates.

**(ii) Fair valuation of financial instruments**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*
**2 Property, plant & equipments**

Particulars	Leasehold land (Right of use)	Buildings	Plant & equipments	Furniture & fixtures	Vehicles	Office equipments	Total
<b>Gross carrying amount</b>							
At 1 April 2019	101.04	982.06	21,714.79	134.10	30.52	18.65	22,981.16
Additions	-	-	137.91	1.41	73.27	52.70	265.29
Disposals	-	-	(627.71)	-	(2.63)	-	(630.34)
<b>Balance as at 31 March 2020</b>	<b>101.04</b>	<b>982.06</b>	<b>21,224.99</b>	<b>135.51</b>	<b>101.16</b>	<b>71.35</b>	<b>22,616.11</b>
Additions	-	-	285.09	0.43	28.52	1.49	315.54
Disposals	-	-	(452.86)	(5.13)	-	-	(457.99)
<b>Balance as at 31 March 2021</b>	<b>101.04</b>	<b>982.06</b>	<b>21,057.23</b>	<b>130.81</b>	<b>129.68</b>	<b>72.84</b>	<b>22,473.66</b>
<b>Accumulated depreciation</b>							
<b>At 1 April 2019</b>	36.99	838.34	9,517.17	118.41	25.20	11.89	10,547.99
Charge for the year	1.07	20.64	553.69	1.61	8.64	5.11	590.75
Disposals	-	-	(504.94)	-	(2.50)	-	(507.44)
<b>Balance as at 31 March 2020</b>	<b>38.06</b>	<b>858.98</b>	<b>9,565.92</b>	<b>120.02</b>	<b>31.34</b>	<b>17.00</b>	<b>10,631.30</b>
Charge for the year	1.04	20.66	555.26	1.66	12.20	12.32	603.14
Disposals	-	-	(430.17)	(4.70)	-	-	(434.87)
<b>Balance as at 31 March 2021</b>	<b>39.10</b>	<b>879.64</b>	<b>9,691.01</b>	<b>116.98</b>	<b>43.54</b>	<b>29.32</b>	<b>10,799.56</b>
<b>Net carrying amount as at 31 March 2020</b>	<b>62.98</b>	<b>123.08</b>	<b>11,659.07</b>	<b>15.49</b>	<b>69.82</b>	<b>54.36</b>	<b>11,984.80</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>61.94</b>	<b>102.42</b>	<b>11,366.22</b>	<b>13.83</b>	<b>86.14</b>	<b>43.52</b>	<b>11,674.10</b>

Refer note no. 17 for information property, plant & equipment hypothecated/mortgage as security by the Company.

Refer note no. 43B for disclosure of contractual commitment for acquisition of property, plant & equipments.

Refer note no. 42 for information on property, plant & equipment pledged as security by the Company.

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*
**3 Capital work in progress**

Particulars	Plant & machinery	Total
<b>Balance as at 1 April 2019</b>	-	-
Additions	-	-
Transfer to property plant & equipment	-	-
<b>Balance as at 31 March 2020</b>	-	-
<b>Balance as at 1 April 2020</b>	-	-
Additions	328.60	<b>328.60</b>
Transfer to property plant & equipment	285.09	<b>285.09</b>
<b>Balance as at 31 March 2021</b>	<b>43.51</b>	<b>43.51</b>

**4 Right-of-use assets**

Particulars	Building	Total
<b>Gross carrying amount</b>		
At 1 April 2019	-	-
Transition impact of Ind AS 116	90.85	90.85
Additions	-	-
Adjustments/disposals	-	-
<b>Balance as at 31 March 2020</b>	<b>90.85</b>	<b>90.85</b>
At 1 April 2020	90.85	90.85
Additions	407.32	407.32
Adjustments/disposals	(90.85)	(90.85)
<b>Balance as at 31 March 2021</b>	<b>407.32</b>	<b>407.32</b>
<b>Accumulated depreciation</b>		
At 1 April 2019	-	-
Transition impact of Ind AS 116	-	-
Charge for the year	34.19	34.19
Adjustments for disposals	-	-
<b>Balance as at 31 March 2020</b>	<b>34.19</b>	<b>34.19</b>
At 1 April 2020	34.19	34.19
Charge for the year	37.78	37.78
Adjustments for disposals	(66.14)	(66.14)
<b>Balance as at 31 March 2021</b>	<b>5.83</b>	<b>5.83</b>
<b>Net carrying amount as at 31 March 2020</b>	<b>56.66</b>	<b>56.66</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>401.49</b>	<b>401.49</b>

**Notes to the Financial Statements for the year ended 31 March 2021**

(All amounts in INR Lakhs, unless otherwise stated)

**5 Intangible assets under development**

Particulars	Computer Software	Total
<b>Gross carrying amount</b>		
At 1 April 2019	-	-
Additions	7.75	7.75
Disposals	-	-
<b>Balance as at 31 March 2020</b>	<b>7.75</b>	<b>7.75</b>
Additions	7.30	7.30
Disposals	-	-
<b>Balance as at 31 March 2021</b>	<b>15.05</b>	<b>15.05</b>
<b>Accumulated amortisation</b>		
At 1 April 2019	-	-
Charge for the year	-	-
Impairment charge	-	-
<b>Balance as at 31 March 2020</b>	<b>-</b>	<b>-</b>
Charge for the year	-	-
Impairment charge	-	-
<b>Balance as at 31 March 2021</b>	<b>-</b>	<b>-</b>
<b>Net carrying amount as at 31 March 2020</b>	<b>7.75</b>	<b>7.75</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>15.05</b>	<b>15.05</b>

Particulars	As at March 31 2021	As at March 31 2020
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**6 Investments**
**Investment in equity instruments (fully paid-up)**
**Quoted equity shares (Measured at fair value through profit and loss)**

1000 (previous year 31 March 2020: 1000) Fully paid up Equity Shares of INR 2 each in DCM Shriram Consolidated Ltd	1.88	2.15
500 (previous year 31 March 2020: 500) Fully paid up Equity Shares of INR 2 each in Grasim Industries Ltd	7.26	0.48
700 (previous year 31 March 2020: 700) Fully paid up Equity Shares of INR 10 each in Aditya Birla Capital Limited	0.84	0.30
165 (previous year 31 March 2020: 165) Fully paid up Equity Shares of INR 10 each in Gujarat Alkalies & Chemicals Ltd	0.57	0.37
300 (previous year 31 March 2020: 300) Fully paid up Equity Shares of INR 5 each in Kanoria Chemicals & Industries Ltd	0.27	0.07
100 (previous year 31 March 2020: 100) Fully paid up Equity Shares of INR 10 each in Punjab Alkalies & Chemicals Ltd	0.09	0.03
500 (previous year 31 March 2020: 500) Fully paid up Equity Shares of INR 2 each in DCW Ltd	0.13	0.04
57 (previous year 31 March 2020: 57) Fully paid up Equity Shares of INR 10 each in Ultra Tech Cement Ltd	3.84	1.85
300 (previous year 31 March 2020: 300) Fully paid up Equity Shares of INR 2 each in Ballarpur Industries Ltd.	0.00	0.00
100 (previous year 31 March 2020: 100) Fully paid up Equity Shares of INR 10 each in SPIC Ltd	0.03	0.00

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*

Particulars	As at March 31 2021	As at March 31 2020
<b>Investment in mutual funds</b>		
<b>Quoted, (Measured at fair value through profit and loss)</b>		
Principal focused multi cap fund- regular plan growth 4190.606 (31 March 2020: 4190.606) units	3.95	2.30
<b>Investment - others</b>		
Silver Coins	0.32	0.32
<b>Total</b>	<b>19.18</b>	<b>7.91</b>
Aggregate value of quoted investments	4.13	4.13
Market value of quoted investments	18.86	7.59
Aggregate value of unquoted investments	0.32	0.32
Aggregate value of impairment in the value of investments	-	-
<b>7A Loans non-current</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
Advance to employees	-	1.68
	<b>-</b>	<b>1.68</b>
<b>7B Loans current</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
Advance to employees	2.85	4.16
Others	47.02	43.59
	<b>49.87</b>	<b>47.75</b>
<b>8 Other non current assets</b>		
Advance for capital goods*	95.48	27.36
Other advances	122.57	122.57
Prepaid expenses	163.12	173.09
Security deposit	84.16	89.71
	<b>465.33</b>	<b>412.73</b>
*Refer note no. 43B for disclosure of contractual commitment for acquisition of property, plant & equipment		
<b>9 Inventories</b>		
<b>(Valued at lower of cost and net realisable value)</b>		
Raw material	384.72	272.95
Work-in-progress	408.97	378.67
Finished goods	621.25	132.25
Fuel oil stock of power plant	114.48	19.59
Packing materials	4.47	4.51
Stores and spares	634.27	685.39
	<b>2,168.16</b>	<b>1,493.36</b>
<b>10 Trade receivables</b>		
Unsecured, Considered good	2,131.49	1,699.88
	<b>2,131.49</b>	<b>1,699.88</b>

\* For related party balances refer note no. 36

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*

Particulars	As at March 31 2021	As at March 31 2020
<b>11 Cash &amp; cash equivalents</b>		
Balance with bank		
with scheduled banks in current accounts	5.83	606.18
Cash on hand	13.82	7.00
	<b>19.65</b>	<b>613.18</b>
<b>12 Bank balances other than Cash &amp; cash equivalents</b>		
Fixed Deposit*	100.62	0.44
	<b>100.62</b>	<b>0.44</b>
<p>* Margin money is equal to 5% margin on Bank Guarantee of Rs 8.79 lakhs ( Previous year 2019-2020 Rs. 8.79 lakhs) issued to RRVUNL to secure the order of Rs. 87.95 lakhs for supply of our product Liquid Chlorine and Hydrochloric acid</p> <p>* Margin money is equal to 5% margin on Bank Guarantee of Rs 1.57 lakhs (Previous year 2019-2020 Nil) issued to Rajasthan State Pollution Control Board to secure the obligation of the Installing RO System for improving the zero discharge.</p> <p>* Margin money in the shape of fixed deposit receipt of Rs. 100 lakhs (Previous year 2019-2020 Nil ) to secure the banking facility by way of Emergency Credit Line Guaranteed Scheme (ECLGS) working capital term loan upto the Rs. 390 lakhs (Previous year 2019-2020 Nil ) from HDFC Bank Limited.</p>		
<b>13 Current tax assets (net)</b>		
Advance income tax	93.00	325.96
Less: Provision for taxation	-	(239.35)
	<b>93.00</b>	<b>86.61</b>
<b>14 Other current assets</b>		
<b>Advance to suppliers</b>		
- Unsecured, Considered good	633.25	593.43
- Considered doubtful	-	-
	<b>633.25</b>	<b>593.43</b>
Less : Provision on advances	-	-
	<b>633.25</b>	<b>593.43</b>
Balance with government authorities	67.19	62.17
Prepaid expenses and other advances	74.76	59.31
Security deposit - others	-	11.73
Interest accrued on fixed deposit	0.16	0.01
	<b>775.36</b>	<b>726.65</b>
<b>15 Share capital</b>		
<b>Authorized share capital</b>		
7,50,00,000 equity shares : 31 March 2020 : 7,50,00,000 equity shares; of Rs.10/- each	7,500.00	7,500.00
	<b>7,500.00</b>	<b>7,500.00</b>
<b>Issued share capital</b>		
2,51,58,885 equity shares; 31 March 2020: 2,51,58,885 equity shares; of Rs.10/- each	2,515.89	2,515.89
	<b>2,515.89</b>	<b>2,515.89</b>
<b>Subscribed capital and fully paid up</b>		
2,51,53,861 equity shares; 31 March 2020: 2,51,53,861 equity shares; of Rs.10/- each	2,515.39	2,515.39
	<b>2,515.39</b>	<b>2,515.39</b>

**Notes to the Financial Statements for the year ended 31 March 2021**

(All amounts in INR Lakhs, unless otherwise stated)

**(i) Details of shareholders holding more than 5% shares of the Company**

Name of shareholder	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Rakesh Ahuja	3,331,447	13.24%	3,331,447	13.24%
Madhav Dhir	7,384,582	29.36%	7,384,582	29.36%
Yuvraj Ahuja	2,172,040	8.64%	2,172,040	8.64%
M/s Matrix Dotcom Infonet Pvt. Ltd.	1,780,000	7.08%	1,780,000	7.08%
<b>Total</b>	<b>14,668,069</b>	<b>58.32%</b>	<b>14,668,069</b>	<b>58.32%</b>

**(ii) Reconciliation of number of equity shares outstanding at the beginning and end of the year**

Description	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	25,153,861	2,515.39	25,153,861	2,515.39
Add: shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>25,153,861</b>	<b>2,515.39</b>	<b>25,153,861</b>	<b>2,515.39</b>

**(iii) Rights, preferences and restrictions attached to equity shares**

The Company has one class of equity shares with paid up value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share on all resolutions submitted to shareholders. They have right to participate in the profits of the company, if declared by the Board as interim dividend and recommended by the Board and declared by the members as final dividend. They are also entitled to bonus/right issue, as declared by Company from time to time. They have right to receive annual report of the Company, beside other rights available under the Companies Act and Listing Regulations.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, beside other rights available under the Companies Act.

The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iv) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, by way of bonus shares and shares bought back for the period of 5 years immediately preceding the balance sheet date**

The Company has not issued any shares pursuant to contract(s) without payment being received in cash.

No bonus shares have been issued in preceding 5 years.

The Company has not undertaken any buy back of shares.

**16 Other equity**

Particulars	Capital reserve	Security premium reserve	Retained earnings	Total
<b>Balance as at 1 April 2019</b>	<b>1.21</b>	<b>2,082.06</b>	<b>2,949.19</b>	<b>5,032.46</b>
<b>Addition during the year</b>				
Profit for the year	-	-	1,030.02	1,030.02
Items of OCI (net of tax)				
-Remeasurement benefit of defined benefit plans	-	-	(5.13)	(5.13)
<b>Balance as at 31 March 2020</b>	<b>1.21</b>	<b>2,082.06</b>	<b>3,974.08</b>	<b>6,057.35</b>

**Notes to the Financial Statements for the year ended 31 March 2021**

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Capital reserve	Security premium reserve	Retained earnings	Total
<b>Addition during the year</b>				
Profit/ (loss) for the year	-	-	(204.09)	(204.09)
Items of OCI (net of tax)				
-Remeasurement benefit of defined benefit plans	-	-	18.20	18.20
				-
<b>Balance as at 31 March 2021</b>	<b>1.21</b>	<b>2,082.06</b>	<b>3,788.19</b>	<b>5,871.46</b>

**Notes :**
**i) Capital reserve**

The Company recognise profit & loss on forfeiture of the company's own equity instruments to capital reserve.

**ii) Security premium reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

**iii) Retained earnings**

Particulars	As at March 31 2021	As at March 31 2020
<b>17 Borrowings : non-current*</b>		
<b>Secured</b>		
Term loans		
-From banks	379.17	999.83
<b>Unsecured</b>		
From others		
-Loans from related parties	3,005.13	3,111.14
-Loans from others	0.33	0.33
-Inter-corporate deposits	187.00	112.00
*for terms & conditions refer table below		
	<b>3,571.63</b>	<b>4,223.30</b>

**Notes to the Financial Statements for the year ended 31 March 2021**

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Rate of Interest (p.a)	Maturity	Terms of Repayment	Nature of Security	As at March 31 2021	As at March 31 2020
<b>Secured borrowings</b>						
Term loan - HDFC Bank Limited (See note below)*	8.90% (8.90%)	March' 2024	HDFC Bank Limited, Malcha Marg Branch has sanctioned of takeover of our existing Term Loan credit facilities with Punjab National bank, Mohan Nagar Branch of Rs. 1900 lakhs in the year 2019. The loan repayable in 2 quarterly installments of Rs. 55 lakhs and 13 quarterly installments of Rs. 75 lakhs each.	Primary security: (i) First charge on all existing and future current assets and movable fixed asset of borrower (ii) First charge on all/entire movable fixed asset both present and future in the name of borrower Secondary Collateral: First charge on all immovable fixed assets both present and future including equitable mortgage of land & building in the name of borrower for the instance i.e manufacturing unit located at Plot No. SP-460, RIICO Industrial area, MIA, Alwar	1,065.72	1,269.90
Working capital term loan - HDFC Bank Limited	7.5% (NA)	March'2025	HDFC Bank Limited, Malcha Marg Branch has sanctioned of Emergency Credit Line Guaranteed Scheme (ECLGS) Loan of Rs. 390 lakhs in the year 2020. Loan is repayable in 36 Monthly installments after 1 year moratorium period.	Security : Extension of second ranking charge over existing primary and collateral securities including mortgage created in faovr of the Bank. Deposit of Rs. 100 lakhs. In form of FDR with the concerned branch for continue facility by way of GECL loan.	390.00	-
<b>Total secured borrowings</b>					<b>1,455.72</b>	<b>1,269.90</b>
<b>Unsecured borrowings</b>						
Loan from related parties	9.25% & 6% (9.25%)	January'2023 & March'2023	All the loan have been taken from the directors and allied concerns are repayable on the terms as mutually decided between the parties. For detail related parties disclosure refer note no. 31 of notes to accounts.	Unsecured borrowings	2,173.04	2,425.54
Loan from related parties	Interest Free	March'2023	All the loan have been taken from the directors and allied concerns are repayable on the terms as mutually decided between the parties. For detail related parties disclosure refer note no. 31 of notes to accounts.	Unsecured borrowings	972.34	751.34

Particulars	Rate of Interest (p.a)	Maturity	Terms of Repayment	Nature of Security	As at March 31 2021	As at March 31 2020
Inter corporate deposit	9.25% (9.25%)	January 2023 & September 2023	Above inter corporate deposit comprises term loan obtained from Cirrus Infrastructure Pvt Ltd and JFC Finance India Limited. The same is repayable on the terms as mutually decided between the parties.	Unsecured borrowings	223.97	124.61
Loan & advance from others	Interest Free	NA	Outstanding loan of Rs. 0.33 lakhs (Previous Year Rs. 0.33 lakhs) obtained from body corporates and the terms and conditions of these loans are not known to the company.	Unsecured borrowings	0.33	0.33
<b>Total unsecured borrowings</b>					<b>3,369.68</b>	<b>3,301.82</b>
<b>Total borrowings</b>					<b>4,825.40</b>	<b>4,571.73</b>
Less : Current maturities of long term borrowings					1,038.83	260.00
Less : Interest accrued but not due					214.94	88.42
<b>Total non current borrowings</b>					<b>3,571.63</b>	<b>4,223.30</b>

**\*Note :**

The Company has not been able to meet compliance of certain 'Financial Covenants' as given in the Loan Agreement, dated 29 May, 2019 executed with HDFC Bank Limited. Due to non-compliance with the financial covenants, the company has reclassified its 'Borrowings' of Rs. 617.99 lakhs from 'Non-current liabilities' to 'Current liabilities' as at 31 March 2021.

Particulars	As at March 31 2021	As at March 31 2020
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**17 Borrowings: current**
**Secured**

Working capital loans repayable on demand from banks 1,449.52 1,580.64

\*for terms & conditions refer table below

<b>1,449.52</b>	<b>1,580.64</b>
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Particulars	Rate of Interest (p.a)	Maturity	Terms of Repayment	Detail of Security/ Guarantee	As at March 31 2021	As at March 31 2020
Cash credit from HDFC Bank Limited	8.90% (8.90%)	NA	HDFC Bank Limited, Malcha Marg Branch has sanctioned takeover of our existing cash credit loan facility Rs. 2000.00 lakhs from Punjab National Bank, Mohan Nagar Branch (Ghaziabad) in the year 2019 to meet the working capital requirement of the company.	Primary security: (i) First charge on all existing and future current assets and movable fixed asset of borrower (ii) First charge on all/ entire movable fixed asset both present and future in the name of borrower (iii) First charge on all immovable fixed assets both present and future including equitable mortgage of land & building in the name of borrower for the instance i.e manufacturing unit located at Plot No. SP-460, RIICO Industrial area, MIA, Alwar.	1,449.52	1,580.64
<b>Total current borrowings</b>					<b>1,449.52</b>	<b>1,580.64</b>

**17A Reconciliation of liabilities arising from financing activities**

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Long-term borrowings	Short-term borrowings	Total
<b>1 April 2019</b>	<b>6,815.27</b>	-	<b>6,815.27</b>
<b>Cash flows:</b>			
- Repayment	6,853.61	-	6,853.61
- Proceeds	4,521.63	1,580.64	6,102.27
<b>31 March 2020</b>	<b>4,483.30</b>	<b>1,580.64</b>	<b>6,063.94</b>
<b>Cash flows:</b>			
- Repayment	1,439.00	131.12	1,570.12
- Proceeds	1,566.16	-	1,566.16
<b>31 March 2021</b>	<b>4,610.46</b>	<b>1,449.52</b>	<b>6,059.98</b>

Retained earnings are the profits that the company has earned till date, less, any transfers to general reserve, any transfers from or to other comprehensive income, dividends or other distributions paid to shareholders.

Particulars	As at March 31 2021	As at March 31 2021	As at March 31 2020	As at March 31 2020
	Non-Current	Current	Non-Current	Current
<b>18 Lease liabilities</b>	<b>18A</b>	<b>18B</b>	<b>18A</b>	<b>18B</b>
Lease liabilities	377.53	24.48	24.54	34.72
	<b>377.53</b>	<b>24.48</b>	<b>24.54</b>	<b>34.72</b>
<b>19 Provisions</b>	<b>19A</b>	<b>19B</b>	<b>19A</b>	<b>19B</b>
<b>Provision for post retirement benefits and other employees benefits</b>				
Provision for gratuity	105.09	76.74	110.38	74.63
Provision for compensated absences	51.40	63.49	55.08	54.72
Provision for bonus	-	17.76	-	17.45
	<b>156.49</b>	<b>157.99</b>	<b>165.46</b>	<b>146.80</b>

\*For movement in each class of provision during the financial year refer note no. 37

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*

Particulars	As at March 31 2021	As at March 31 2020
<b>20 Deferred tax liabilities (net)</b>		
<b>Deferred tax asset arising on account of :</b>		
Provision for post retirement benefits and other employees benefits	77.75	86.88
Provision for old stores	2.94	2.94
Others	0.01	-
Right-of-use assets & lease liabilities	-	0.73
Mat credit entitlement	908.66	908.66
Business loss	232.76	-
<b>Total deferred tax asset (a)</b>	<b>1,222.13</b>	<b>999.20</b>
<b>Deferred tax liabilities arising on account of:-</b>		
Property, plant & equipment	1,721.46	1,530.09
Fair valuation of investments	4.01	0.87
Right-of-use assets & lease liabilities	0.41	-
<b>Total deferred tax liabilities (b)</b>	<b>1,725.88</b>	<b>1,530.96</b>
<b>Net deferred tax liabilities (b-a)</b>	<b>503.75</b>	<b>531.75</b>

**Movement in deferred tax liabilities (net)**

Particulars	As at March 31, 2020	Recognised in Profit or Loss	Recognised in OCI	As at March 31, 2021
<b>Deferred tax asset arising on account of :</b>				
Provision for post retirement benefits and other employees benefits	(86.88)	2.11	7.02	(77.75)
Provision for old stores	(2.94)	-	-	(2.94)
Fair value gain/ (loss)	-	(0.01)	-	(0.01)
Right-of-use assets & lease liabilities	(0.73)	0.73	-	-
Mat credit entitlement	(908.66)	-	-	(908.66)
Businesses loss	-	(232.76)	-	(232.76)
<b>Deferred tax liabilities arising on account of:-</b>				
Property, plant & equipment	1,530.09	191.37	-	1,721.46
Fair valuation of investments	0.87	3.14	-	4.01
Right-of-use assets & lease liabilities	-	0.41	-	0.41
<b>Total</b>	<b>531.75</b>	<b>(35.02)</b>	<b>7.02</b>	<b>503.75</b>

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*
**Movement in deferred tax liabilities (net)**

Particulars	As at March 31, 2019	Recog- nised in Profit or Loss	Recog- nised in OCI	As at March 31, 2020
<b>Deferred tax asset arising on account of :</b>				
Provision for post retirement benefits and other employees benefits	(80.00)	(4.77)	(2.10)	(86.88)
Provision for old stores	(3.08)	0.14	-	(2.94)
Provision for doubtful debt & Advances	(20.30)	20.30	-	-
Right-of-use assets & lease liabilities	-	(0.73)	-	(0.73)
Expenses admissible under income tax on payment basis	(42.84)	42.84	-	-
Mat credit entitlement	(677.67)	(231.00)	-	(908.66)
<b>Deferred tax liabilities arising on account of:-</b>				
Property, plant & equipment	1,259.73	270.36	-	1,530.09
Fair valuation of investments	2.05	(1.18)	-	0.87
<b>Total</b>	<b>437.88</b>	<b>95.98</b>	<b>(2.10)</b>	<b>531.75</b>

**21 Other non-current liabilities**

Investor Education and Protection Fund (U/s 125 of the companies act, 2013)*	11.64	11.64
Security and other deposits	864.00	565.00
Payable to statutory authorities	137.62	168.42
	<b>1,013.26</b>	<b>745.06</b>

\*Refer note no. 44

Particulars	As at March 31 2021	As at March 31 2020
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**22 Trade payables**

- total outstanding dues to micro and small enterprises*	-	-
- total outstanding dues to creditors other than micro and small enterprises	149.00	101.92
	<b>149.00</b>	<b>101.92</b>

\* The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on information received and available with the Company, there are no amounts payable other than disclosed above to Micro and Small Enterprises as at March 31, 2021 and March 31 2020.

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*
**Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MS-MED Act, 2006") is as under:-**

Particulars	As at	As at
	March 31 2021	March 31 2020
i) Principal amount due to suppliers under MSMED Act	Nil	Nil
ii) Interest accrued and due to suppliers under MSMED Act on the above amount	Nil	Nil
iii) Payment made to suppliers (other than interest) beyond appointed day during the year	Nil	Nil
iv) Interest paid to suppliers under MSMED Act	Nil	Nil
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil
vi) Interest due and payable to suppliers under MSMED Act towards payments already made	Nil	Nil
vii) Interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
<b>23 Other financial liabilities - current</b>		
Current maturities of long-term borrowings	1,038.83	260.00
Interest accrued but not due	214.93	88.43
	<b>1,253.76</b>	<b>348.43</b>
<b>24 Other current liabilities</b>		
Advance from customers	128.65	105.88
Other payables	470.62	386.16
Statutory dues payables	313.28	172.00
	<b>912.55</b>	<b>664.04</b>
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
<b>25 Revenue from operations</b>		
Sale of products	15,410.12	20,368.88
	<b>15,410.12</b>	<b>20,368.88</b>
<b>26 Other income</b>		
Interest income on bank deposits	0.15	0.01
Interest income on loans & advances	3.70	-
Fair value gain on investments measured at FVTPL	11.28	-
Gain on disposal of property, plant & equipments	295.96	-
Dividend income on non current investments	-	0.12
Provision/ miscellaneous balance written back	10.51	146.26
Miscellaneous income	1.30	3.77
	<b>322.90</b>	<b>150.16</b>

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2021	As at March 31, 2020
<b>27 Cost of materials consumed</b>		
Opening stock of raw material	272.95	271.27
Add: Purchase during the year	2,758.67	3,248.39
	3,031.62	3,519.66
Less: Closing stock of raw material	384.72	272.95
	<b>2,646.90</b>	<b>3,246.71</b>
<b>28 Purchase of stock-in-trade</b>		
Purchase of stock-in-trade	28.50	11.12
	<b>28.50</b>	<b>11.12</b>
<b>29 Changes in inventories of finished goods and work-in progress</b>		
<b>Finished goods</b>		
-Opening stock	132.25	78.71
-Closing stock	621.25	132.25
	<b>(489.00)</b>	<b>(53.54)</b>
<b>Work-in-progress</b>		
-Opening stock	378.67	35.31
-Closing stock	408.97	378.67
	<b>(30.30)</b>	<b>(343.36)</b>
<b>(Increase)/decrease in inventories of finished goods and work-in progress</b>	<b>(519.30)</b>	<b>(396.90)</b>
<b>30 Employee benefits expense</b>		
Salaries, wages, allowances & other benefits	920.13	955.74
Gratuity fund contributions (Refer note no. 37)	28.57	27.67
Contribution to provident & other funds (Refer note (a) below)	42.01	40.98
Staff welfare expenses	35.82	60.79
	<b>1,026.53</b>	<b>1,085.18</b>
Note (a) - Defined contribution plan		
Amount recognized in the statement of profit & loss account		
(i) Provident fund	36.91	34.91
(ii) Employee state insurance	5.10	6.07
	<b>42.01</b>	<b>40.98</b>
<b>31 Finance costs</b>		
Interest on		
-Loan from banks	211.18	178.10
-Others*	179.95	104.98
-Lease liabilities	8.21	7.05
Other borrowing cost	-	11.47
	<b>399.34</b>	<b>301.60</b>

\*Others include loans from related parties, financial institution etc.

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2021	As at March 31, 2020
<b>32 Depreciation and amortisation expenses</b>		
Depreciation and amortisation expenses	603.14	552.69
Depreciation on right-of-use assets	37.78	72.25
	<b>640.92</b>	<b>624.94</b>
<b>33 Other expenses</b>		
Consumption of stores and spares	167.28	273.98
Business promotion expenses	32.88	51.62
Computer expenses	1.24	0.96
<b>Repairs and maintenance</b>		
-Plant & machinery	180.31	220.15
-Building	8.24	41.37
-Others	0.35	0.54
Rent expenses	47.44	55.69
Rates and taxes	110.64	18.77
<b>Auditor's remuneration</b>		
-Audit fee	4.00	4.00
-Tax audit fee*	1.60	1.60
-Out of pocket expenses	0.39	0.86
Bank charges	0.88	1.59
Insurance charges	41.80	28.91
Travelling and conveyance	93.41	90.13
Publicity and advertisement expenses	1.57	3.77
Communication expenses	8.42	9.25
Freight & forwarding expenses (Net)	101.31	105.14
General charges	14.12	25.39
Legal and professional expenses	64.12	100.11
Manufacturing expenses	53.26	60.37
Office expenses	6.49	7.82
Printing & stationery	5.95	17.44
Security charges	48.01	49.82
Subscription charges	3.71	2.96
Water & electricity expenses	3.95	4.03
Loss on disposal of property, plant & equipment	-	54.07
Loss on foreign exchange fluctuation	0.01	0.72
Corporate social responsibility expenses#	102.25	7.58
Loss on fair valuation of investment measured at FVTPL	-	3.91
	<b>1,103.63</b>	<b>1,242.55</b>

\*Paid to other than statutory auditors

**# Details of Corporate Social Responsibility (CSR) expenditure is as follows:**

The requisite disclosure relating to the CSR expenditure in terms on guidance note on corporate social responsibility issued by Institute of Chartered Accountants of India.

i) Gross amount required to be spent by the Company during the year (i.e. 2% of Average Net profits u/s 198 of Companies Act, 2013 of last three years): Rs. 41.71 lakhs (31 March, 2021) Rs. 36.90 lakhs (31 March, 2020)

ii) Amount spent during the financial year ended on March 31, 2021, Rs. 102.25 lakhs and March 31, 2020 Rs. 7.58 lakhs :

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*

Purpose for which expenditure incurred	For the year ended March 31, 2021	For the year ended March 31, 2020
-Construction/acquisitions of any asset	-	-
-On purpose other than above mentioned	102.25	7.58
Amount yet to be spent	-	29.32
<b>Total</b>	<b>102.25</b>	<b>36.90</b>

**Note :**

During the year the Company was required to spend an amount of Rs. 41.71 lakhs (Previous year 2019-20 Rs. 36.90 lakhs). The actual amount spent of Rs. 102.25 lakhs represents CSR expenditure for the current year as well as outstanding unspent amount of previous years.

Particulars	As at March 31, 2021	As at March 31, 2020
<b>34 Tax expenses</b>		
Income tax expense recognised in statement of profit and loss		
Current tax	-	239.35
Deferred tax charge / (credit)	(35.02)	95.98
Earlier years tax adjustments (net)	-	10.43
	<b>(35.02)</b>	<b>345.76</b>

The reconciliation of tax expense based on the domestic effective tax rate of at 27.82% (31 March 2020: 27.82%) and the reported tax expense in statement of profit or loss is as follows:

Profit /(loss) before tax	(239.11)	1,375.78
Income tax using the Company's domestic tax rate	(66.52)	382.74

**Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense**

Non-deductible expenses	15.04	16.76
Non-taxable income	-	(0.03)
Previously unrecognised deferred tax	-	(21.67)
Deferred tax assets not recognised as realisation is not probable	16.46	22.81
Change in tax rates during the year	-	(67.34)
Tax expense related to earlier years	-	10.43
Others	0.01	2.07
<b>Tax expenses as per statement of profit and loss account</b>	<b>(35.02)</b>	<b>345.76</b>

**35 Earnings per share**

Net profit /(loss) for the year	(204.09)	1,030.02
Total number of equity shares outstanding at the beginning of the year	25,153,861	25,153,861
Total number of equity shares outstanding at the end of the year	25,153,861	25,153,861
Weighted average number of equity shares	25,153,861	25,153,861
Nominal value of equity share	10.00	10.00
(1) Basic (Rs.)	(0.81)	4.09
(2) Diluted (Rs.)	(0.81)	4.09

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*
**36 Related party disclosures**

The nature of relationship and summary of transactions with related parties are summarised below

**a) Name of the related party and nature of their relationship**

<b>Name of key managerial personnel (KMP)</b>	<b>Designation</b>
Mr. Rakesh Ahuja	Non Executive Director
Mr. Madhav Dhir	Executive Director
Mr. Yuvraj Ahuja	Non Executive Director
Mr. Ajay Virmani	Managing Director
Mr. Rajbir Singh Makhni	Independent Director
Mr. Rajendra Prasad Chauhan	Independent Director
Mr. Pawan Kumar Nayyar	Independent Director
Mr. Sandeep Chaudhari	Independent Director
Mr. Sandeep Singh	Independent Director
Ms. Poonam Bisht	Independent Director
Mr. Deepak Mathur	Director (Technical)
Mr. Rajiv Kumar	Chief Financial Officer
Mr. Dipendra Chaudhary	Company Secretary

**Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions has been undertaken**

Cirrus Chemicals Private Limited  
 Yuvaraj International Limited  
 Chanduka Trading Limited  
 Cygnet Projects Private Limited

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

<b>Particulars</b>	<b>Year</b>	<b>Key managerial personnel (KMP)</b>	<b>Entities in which KMP/ Relatives of KMP can exercise significant influence</b>
Remuneration	31 March 2021	203.46	-
	31 March 2020	212.89	-
Sales of goods	31 March 2021	-	447.90
	31 March 2020	-	285.55
Purchase of goods	31 March 2021	-	-
	31 March 2020	-	11.47
Loan taken	31 March 2021	400.00	548.00
	31 March 2020	-	2,759.80
Loan repaid	31 March 2021	179.00	875.00
	31 March 2020	2,862.80	875.00
Interest expense	31 March 2021	-	151.61
	31 March 2020	-	73.04

**Notes to the Financial Statements for the year ended 31 March 2021**

(All amounts in INR Lakhs, unless otherwise stated)

**Closing balance with related parties in the ordinary course of business:-**

Particulars	Year	Key managerial personnel (KMP)	Entities in which KMP/ Relatives of KMP can exercise significant influence
Loan taken	31 March 2021	972.34	2,032.80
	31 March 2020	751.34	2,359.80
Trade receivable	31 March 2021	-	621.90
	31 March 2020	-	748.71
Remuneration Payable	31 March 2021	20.16	-
	31 March 2020	11.42	-
Interest Payable	31 March 2021	-	140.24
	31 March 2020	-	65.74

**The following transactions were carried out with KMP:-**

Particulars*	31 March 2021	31 March 2020
Short term employee benefits	201.49	210.97
Defined contribution plan	1.97	1.92

\* Does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

**Terms & Condition of transactions with related party:**

(i) All related party transactions entered during the year were in the ordinary course of business & are on arm's length basis

**37 Employee benefits**
**A Compensated absences - earned leave**
**Risk**

Salary Increases	Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment Risk	If plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount Rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**i) Amounts recognised in the balance sheet:**

Particulars	31 March 2021	31 March 2020
Present value of the obligation	114.89	109.80
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	114.89	109.80
<b>Current liability (amount due within one year)</b>	<b>63.49</b>	<b>54.72</b>
<b>Non-current liability (amount due over one year)</b>	<b>51.40</b>	<b>55.08</b>

**Notes to the Financial Statements for the year ended 31 March 2021**

(All amounts in INR Lakhs, unless otherwise stated)

**ii) Expenses recognised in statement of profit and loss:**

Particulars	31 March 2021	31 March 2020
Current service cost	12.10	13.25
Interest cost	7.47	6.68
<b>Cost recognised during the year</b>	<b>19.56</b>	<b>19.93</b>

**iii) Actuarial (gain)/loss on obligation:**

Particulars	31 March 2021	31 March 2020
Actuarial (gain)/loss net on account of:		
-Changes in demographic assumptions	-	-
-Changes in financial assumptions	-	1.82
-Changes in experience adjustment	(11.89)	2.92
	<b>(11.89)</b>	<b>4.74</b>

**iv) Movement in the liability recognised in the balance sheet is as under:**

Particulars	31 March 2021	31 March 2020
Present value of defined benefit obligation at the beginning of the year	109.80	87.05
Current service cost	12.10	13.25
Interest cost	7.47	6.68
Actuarial (gain)/loss net	(11.89)	4.74
Benefits paid	(2.58)	(1.91)
<b>Present value of defined benefit obligation at the end of the year</b>	<b>114.89</b>	<b>109.80</b>

**v) (a) For determination of the liability of the Company the following actuarial assumptions were used:**

Particulars	31 March 2021	31 March 2020
Discount rate	6.80%	6.80%
Salary escalation rate	5.00%	5.00%
Retirement Age (years)	58.00	58.00
Ages	<b>Withdrawal rate (%)</b>	
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Leave		
Leave availment rate	20.00%	20.00%

Mortality rates inclusive of provision for disability -100% of IALM 2012-14. Ultimate rates has been assumed which also includes the allowance for disability benefits.

**Notes to the Financial Statements for the year ended 31 March 2021**

(All amounts in INR Lakhs, unless otherwise stated)

**(b) Maturity profile of defined benefit obligation**

Particulars	31 March 2021	31 March 2020
0 to 1 year	62.13	53.40
1 to 2 year	3.02	4.72
2 to 3 year	11.25	2.87
3 to 4 year	5.63	11.54
4 to 5 year	2.21	6.06
5 to 6 year	0.72	3.19
6 year onwards	42.82	41.04

**vi) Sensitivity analysis for compensated absences liability**

Particulars	31 March 2021	31 March 2020
<b>a) Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	114.89	109.80
Impact due to increase of 0.50 %	(3.21)	(0.62)
Impact due to decrease of 0.50 %	2.89	5.10
<b>b) Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	114.89	109.80
Impact due to increase of 0.50 %	(3.29)	(0.64)
Impact due to decrease of 0.50 %	2.97	5.24

Sensitivities due to mortality and withdrawals are insignificant and hence ignored.

**B Gratuity**
**Risk**

Salary Increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment Risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount Rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**i) Amounts recognised in the balance sheet:**

Particulars	31 March 2021	31 March 2020
Present value of the obligation	181.83	185.02
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	181.83	185.02
<b>Current liability (amount due within one year)</b>	<b>76.74</b>	<b>74.63</b>
<b>Non-current liability (amount due over one year)</b>	<b>105.09</b>	<b>110.38</b>

**Notes to the Financial Statements for the year ended 31 March 2021**

(All amounts in INR Lakhs, unless otherwise stated)

**ii) Loss recognised in other comprehensive income:**

Particulars	31 March 2021	31 March 2020
Actuarial loss on asset	-	-
Actuarial loss on PBO	(25.22)	2.49
<b>Loss recognised in other comprehensive income</b>	<b>(25.22)</b>	<b>2.49</b>

**iii) Actuarial (gain)/loss on obligation:**

Particulars	31 March 2021	31 March 2020
Actuarial (gain)/loss net on account of:		
-Changes in demographic assumptions	-	-
-Changes in financial assumptions	-	2.66
-Changes in experience adjustment	(25.22)	(0.17)

**iv) Expenses recognised in statement of profit and loss**

Particulars	31 March 2021	31 March 2020
Current service cost	15.99	15.79
Interest cost	12.58	11.88
<b>Cost recognised during the year</b>	<b>28.57</b>	<b>27.67</b>

**v) Movement in the liability recognised in the balance sheet is as under:**

Particulars	31 March 2021	31 March 2020
Present value of defined benefit obligation at the beginning of the year	185.02	154.86
Current service cost	15.99	15.79
Past service cost	-	-
Interest cost	12.58	11.88
Actuarial loss (net)	(25.22)	2.49
Benefits paid	(6.54)	-
<b>Present value of defined benefit obligation at the end of the year</b>	<b>181.83</b>	<b>185.02</b>

**vi) (a) For determination of the liability of the Company the following actuarial assumptions were used:**

Particulars	31 March 2021	31 March 2020
Discount rate	6.80%	6.80%
Salary escalation rate	5.00%	5.00%
Retirement age (years)	58.00	58.00
Withdrawal rate		
Up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Weighted average duration of PBO		

Mortality rates inclusive of provision for disability -100% of IALM 2012-14. Ultimate rates has been assumed which also includes the allowance for disability benefits.

**Notes to the Financial Statements for the year ended 31 March 2021**

(All amounts in INR Lakhs, unless otherwise stated)

**(b) Maturity profile of defined benefit obligation:**

Particulars	31 March 2021	31 March 2020
0 to 1 year	77.06	74.87
1 to 2 year	7.68	17.39
2 to 3 year	28.27	7.14
3 to 4 year	17.75	27.26
4 to 5 year	13.07	16.74
5 to 6 year	1.05	12.58
6 year onwards	58.55	49.01

**vii) Sensitivity analysis for gratuity liability:**

Particulars	31 March 2021	31 March 2020
<b>a) Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	<b>181.83</b>	<b>185.02</b>
Impact due to increase of 0.50 %	(4.65)	(4.36)
Impact due to decrease of 0.50 %	4.25	4.01
<b>b) Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	<b>181.83</b>	<b>185.02</b>
Impact due to increase of 0.50 %	4.37	4.12
Impact due to decrease of 0.50 %	(4.78)	(4.47)

*Sensitivities due to mortality and withdrawals are insignificant and hence ignored.*
**38 Lease related disclosures**

The Company has lease for office building. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability as a borrowings. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of Ind-AS 116 are only applied after that date.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office building the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

**A Lease payments not included in measurement of lease liability**

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	31 March 2021	31 March 2020
Short-term leases	27.00	33.24
Leases of low value assets	0.56	0.56
Variable lease payments	-	-

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*

**B** Total cash outflow for leases for the year ended 31 March 2021 was Rs 90.87 lakhs (Previous year 2019-20 Rs. 94.33 lakhs)

**C** The Company has total commitment for short-term leases as at 31 March 2021 is of Rs. Nil. (Previous year 2019-20 Rs. 1.56 lakhs)

**D Maturity of lease liabilities**

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March 2021	Minimum lease payments due						Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	
Lease payments	58.56	58.56	59.19	66.17	66.17	284.98	<b>593.64</b>
Interest expense	34.08	31.84	29.46	26.25	22.59	42.53	<b>186.76</b>
<b>Net present values</b>	<b>24.48</b>	<b>26.72</b>	<b>29.74</b>	<b>39.92</b>	<b>43.58</b>	<b>242.45</b>	<b>406.89</b>

**E** Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2021 Nil (Previous year 2019-20 Nil)

**F Information about extension and termination options**

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office building	1	8.83 years	8.83 years	0	0	1

**39A Financial instruments**
**(i) Fair values hierarchy**

Financial assets and financial liabilities measured at fair value in the statement of financial position are classified into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**(ii) Financial assets measured at fair value - recurring fair value measurements**

	31 March 2021	31 March 2020	Level	Valuation techniques and key inputs
<b>Investment in equity instruments</b>	14.91	5.28	Level 1	Fair value of equity instruments have been determined using the quoted market price.
<b>Investment in mutual funds</b>	3.95	2.30	Level 1	Net asset value (NAV) obtained from an active market.
<b>Total</b>	<b>18.86</b>	<b>7.58</b>		

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*
**(iii) Fair value of instruments measured at amortised cost**

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	Level	31 March 2021		31 March 2020	
		Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>					
Investments	Level 3	0.32	0.32	0.32	0.32
Loans	Level 3	49.87	49.87	49.43	49.43
Trade receivable	Level 3	2,131.49	2,131.49	1,699.88	1,699.88
Cash and cash equivalents	Level 3	19.65	19.65	613.18	613.18
<b>Total financial assets</b>		<b>2,201.33</b>	<b>2,201.33</b>	<b>2,362.81</b>	<b>2,362.81</b>
<b>Financial liabilities</b>					
Borrowings	Level 3	6,059.98	6,059.98	6,063.94	6,063.94
Trade payables	Level 3	149.00	149.00	101.92	101.92
Other financial liabilities	Level 3	214.93	214.93	88.43	88.43
<b>Total financial liabilities</b>		<b>6,423.91</b>	<b>6,423.91</b>	<b>6,254.29</b>	<b>6,254.29</b>

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Other non-current financial assets and non-current borrowings bear a market interest rate and hence their carrying amounts are also considered a reasonable approximation of their fair values.

**iv) Financial instruments by category**

Particulars	31 March 2021			31 March 2020		
	FVT-PL	FVO-CI	Amor-tised cost	FVTPL	FVOCI	Amor-tised cost
<b>Financial assets</b>						
Investments	18.86	-	0.32	7.58	-	0.32
Loan - security deposits	-	-	-	-	-	-
Loan - employees	-	-	2.85	-	-	5.84
Loan - Other	-	-	47.02	-	-	43.59
Other financial assets	-	-	-	-	-	-
Trade receivables	-	-	2,131.49	-	-	1,699.88
Cash and cash equivalents	-	-	19.65	-	-	613.18
<b>Total</b>	<b>18.86</b>	<b>-</b>	<b>2,201.33</b>	<b>7.58</b>	<b>-</b>	<b>2,362.81</b>
<b>Financial liabilities</b>						
Borrowings	-	-	6,059.98	-	-	6,063.94
Trade payable	-	-	149.00	-	-	101.92
Other financial liabilities	-	-	214.93	-	-	88.43
<b>Total</b>	<b>-</b>	<b>-</b>	<b>6,423.91</b>	<b>-</b>	<b>-</b>	<b>6,254.29</b>

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*
**39B Financial risk management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

**A) Credit risk**

Credit risk is the risk that a counterparty fails to discharge an obligation to the company. The company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.

- cash and cash equivalents,
- trade receivables,
- loans & receivables carried at amortised cost, and
- deposits with banks

**Credit risk management**
*Credit risk rating*

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

Assets under credit risk –

<b>Credit rating</b>	<b>Particulars</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
Low	Loans	49.87	49.43
	Investments	0.32	0.32
	Cash and cash equivalents	19.65	613.18
	Trade receivables	2,131.49	1,699.88

*Cash & cash equivalents and bank deposits*

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

*Trade receivables*

Company's trade receivables are considered of high quality and accordingly no life time expected credit losses are recognised on such receivables.

*Other financial assets measured at amortised cost*

Other financial assets measured at amortized cost includes advances to employees. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*
**B) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**Maturities of financial liabilities**

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

<b>31 March 2021</b>	<b>Less than 1 year</b>	<b>1-5 year</b>	<b>More than 5 years</b>	<b>Total</b>
Borrowings	2,488.35	3,571.63	-	6,059.98
Trade payable	149.00	-	-	149.00
Other financial liabilities	214.93	-	-	214.93
<b>Total</b>	<b>2,852.28</b>	<b>3,571.63</b>	<b>-</b>	<b>6,423.91</b>

<b>31 March 2020</b>	<b>Less than 1 year</b>	<b>1-5 year</b>	<b>More than 5 years</b>	<b>Total</b>
Borrowings	1,840.64	999.83	3,223.47	6,063.94
Trade payable	101.92	-	-	101.92
Other financial liabilities	88.43	-	-	88.43
<b>Total</b>	<b>2,030.98</b>	<b>999.83</b>	<b>3,223.47</b>	<b>6,254.29</b>

**C) Market risk**
**a) Interest rate risk**

The Company is not exposed to changes in market interest rates as all of the borrowings are at fixed rate of interest. Also the Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**b) Price risk**
**Exposure**

The Company's exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments in mutual funds and equity investment, the Company diversifies its portfolio of assets.

**Sensitivity**

Below is the sensitivity of profit or loss and equity to changes in fair value of investments, assuming no change in other variables:

**Notes to the Financial Statements for the year ended 31 March 2021**

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	31 March 2021	31 March 2020
<b>Price sensitivity</b>		
Price increase by 5%	0.94	0.38
Price decrease by 5%	(0.94)	(0.38)

**40 Capital management**

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	31 March 2021	31 March 2020
Total borrowings	6,059.98	6,063.94
Less : cash and cash equivalent	19.65	613.18
<b>Net debt*</b>	<b>6,040.33</b>	<b>5,450.76</b>
Total equity	8,386.85	8,572.74
Net debt to equity ratio	<b>0.72</b>	<b>0.64</b>

\*Net debt = non current borrowings + current borrowings + current maturities of long term borrowings - cash & cash equivalents

**41 Segment information**

The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e. Caustic soda and other chemicals, which as per Ind AS 108 on "Segment Reporting" as specified under Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) is considered to be the only operating segment. The Company is primarily operating in India which is considered as a single geographical segment.

**42 Details of assets pledged/ hypothecated as security:**

The carrying amounts of assets pledged/ hypothecated as security for current and non-current borrowings are:

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
Inventories	2,168.16	1,493.36
Trade receivables	2,131.49	1,699.88
Cash and cash equivalents and other bank balances	19.65	613.18
Other current assets	775.36	708.94
<b>Non Current</b>		
Property, plant and equipment	11,674.10	11,921.82

**Notes to the Financial Statements for the year ended 31 March 2021**
*(All amounts in INR Lakhs, unless otherwise stated)*
**43 Contingent liabilities and commitments**

(to the extent not provided for)

**A Contingent liabilities**

Particulars	Period to which the amount relates	For the year ended 31 March 2021	For the year ended 31 March 2020
In respect of Entry tax disputes pending with judicial authorities	2003-11	27.28	27.28
	<b>Total</b>	<b>27.28</b>	<b>27.28</b>

**Notes:**

1. Pending resolution of the respective proceeding, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgement/ decisions pending with various forums/ authorities.

2. The Company has reviewed all its pending litigations and proceeding and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceeding to have a materially adverse effect on its financial position. The Company does not expect any reimbursements in respect of the above contingent liabilities.

**B Commitments (net of advance):**

Estimated amount of contracts remaining to be executed on capital account Rs. 22 lakhs (Previous year: 31 March 2020: Nil).

- 44** Unclaimed amount in respect of debentures and excess share application money refundable Rs. 11.64 lakhs, (Previous year: 31 March 2020: 11.64 lakhs) is required to be transferred to the "Investor education and protection fund" in terms of section 125 of the companies act, 2013. the company is taking steps to reconcile the above accounts and deposit the amount with the appropriate authorities.

**45 Impact of Covid-19:**

On account of COVID-19 pandemic, nationwide lockdown was imposed by Government of India effective March 24, 2020 which extended for a couple of months in varied parts of the country and in varied forms. The outbreak of Coronavirus (COVID-19) Pandemic globally and in India has caused significant disturbance and slowdown of economic activity. Consequent to these uncertainties caused due to continuation of pandemic, the Company has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these financial statements and has done a detailed assessment for carrying amount of financial and non-financial assets and does not anticipate any impairment to these assets. Also, the management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The situation though is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future spread of COVID-19 and due to which the Company will continue to closely monitor any material changes to future economic conditions. if any.

**Notes to the Financial Statements for the year ended 31 March 2021***(All amounts in INR Lakhs, unless otherwise stated)***46 Authorisation of financial statements**

These financial statements for the year ended 31 March 2021 were approved by the Board of Directors on 28th June 2021.

47 The figures have been rounded off to the nearest Rs. lakhs upto two decimals.

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For and on behalf of Board of Directors of  
Lords Chloro Alkali Limited

**For Gupta Vigg & Co.**  
Chartered Accountants  
Firm Registration No. 001393N

**CA. Deepak Pokhriyal**  
Partner  
Membership No. 524778  
UDIN : 21524778AAAACO2102

Place: New Delhi  
Date: 28 June 2021

**Yuvraj Ahuja**  
Director  
DIN: 00164675

**Madhav Dhir**  
Director  
DIN: 07227587

**Ajay Virmani**  
Managing Director  
DIN: 00758726

**Dipendra Chaudhary**  
Company Secretary  
M.No. A34853

**Rajiv Kumar**  
Chief Financial Officer  
M.No. 508277

**LORDS CHLORO ALKALI LIMITED**

**CIN No. : L24117RJ1979PLC002099**

**Registered Office:** SP-460, MIA, Alwar Rajasthan-301 030

**Corporate Office :** A-281, 1st Floor, Defence Colony, New Delhi -110 024

**Email Id.:** secretarial@lordschloro.com ; **Ph. No. :** 011 40239034/35

**ATTENDANCE SLIP**

**Name(s) of Member(s) :**

**(In block letters (including joint holders, if any))**

**Registered Address of the sole/ :**

**First named member**

**Registered Folio No. /**

**DPID No. & Client ID No.**

**No. of Shares held**

I/ We hereby record my/our presence at the 42<sup>nd</sup> Annual General Meeting of the Company being held on Tuesday, 28th September 2021 at 11:00 A.M. at Registered Office of the Company at SP-460, Matsya Industrial Area, Alwar (Rajasthan) – 301 030.

**Signature of the Member/ Proxy present.....**

**Notes:**

1. Member/ Proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and handover at the entrance duly signed.
2. Please cut here and bring the above attendance slip to the meeting.

**E-VOTING INFORMATION**

<b>EVEN (Electronic Voting Event Number)</b>	<b>User ID</b>	<b>Default PAN/Sequence Number</b>

*Please see Note No. 15 to the Notice dated 23rd August, 2021 covering the AGM for the procedure with respect to e-voting.*

**Note: The remote e-voting period commences on Friday, 24th September 2021 (at 9:00 A.M. IST) and ends on Monday, 27th September, 2021 (at 5:00 P.M. IST)**

**LORDS CHLORO ALKALI LIMITED**

**Registered Office:** SP-460, MIA, Alwar Rajasthan-301 030  
**Corporate Office :** A-281, 1st Floor, Defence Colony, New Delhi -110 024  
**CIN No. :** L24117RJ1979PLC002099; **Ph. No. :** 011 40239034/35  
**Email Id.:** secretarial@lordschloro.com; **Website:** www.lordschloro.com

**FORM NO. MGT-11**

**PROXY FORM**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name of the member(s):
Registered address:
E-mail Id:
DP ID and Client Id / Folio No.:

I/We, being the member(s) of .....shares of the above named Company, hereby appoint

- |                  |                                |
|------------------|--------------------------------|
| 1. Name: .....   | Address: .....                 |
| E-mail Id: ..... | Signature:..... or failing him |
| 2. Name: .....   | Address: .....                 |
| E-mail Id: ..... | Signature:..... or failing him |
| 3. Name: .....   | Address: .....                 |
| E-mail Id: ..... | Signature:.....                |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42nd Annual General Meeting of the Company, to be held on Tuesday, 28th September, 2021 at 11:00 A.M. at the Registered office of the Company at SP-460, MIA, Alwar Rajasthan 301001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Reso- lution No.	Ordinary Business	Optional*	
		For	Against
1.	To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on 31st March, 2021 and the reports of the Board of Directors and Auditors thereon.		
2.	To consider and approve appointment of Auditors and fix their remuneration		
	<b>Special Business</b>		
3.	To not to appoint any Director in place of Shri Rakesh Ahuja (DIN: 00224315), a Director liable to retire by rotation, he has not offered himself for re-appointment.		
4.	To consider and approve the payment of remuneration to Shri Madhav Dhir (DIN: 07227587), Whole Time Director of the Company.		
5.	To appoint Ms. Srishti Dhir (DIN 06496679) as Director of the Company		
6.	To re-appoint and payment of remuneration to Shri Deepak Mathur (DIN 07092786), as Director (Technical) of the Company		
7.	To ratify the remuneration of the Cost Auditors for the Financial Year 2021-22		

\* It is optional to put "x" in the appropriate column against the resolutions indicated in the box. If you leave the ' For' or 'Against' column blank against any or all resolutions, your proxy will be entitle to vote in the manner as he/she thinks appropriate.

Signed this..... day of.....

Signature of Member

Signature of first Proxy holder .....

Signature of second Proxy holder .....

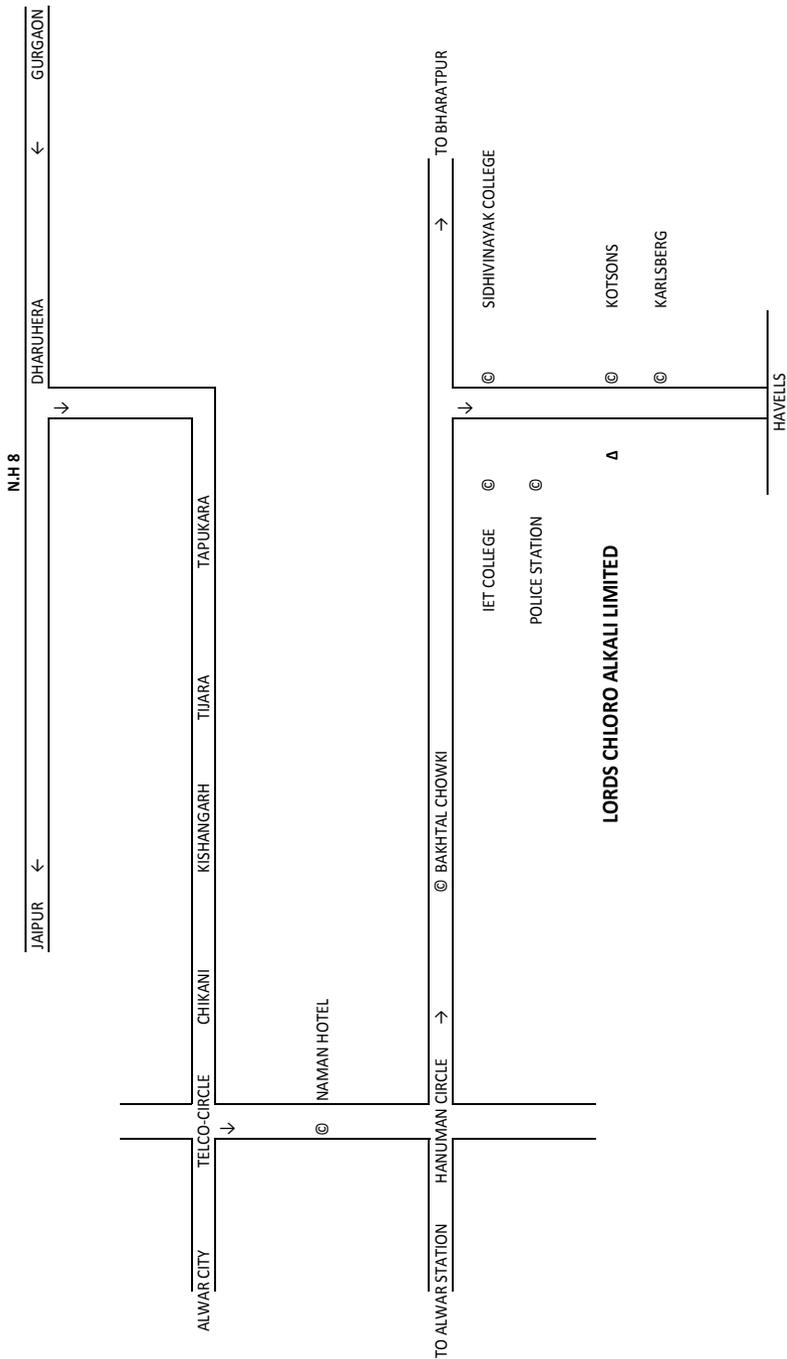
Signature of third Proxy holder .....

Affix the revenue stamp of Rs. 1/-
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Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting i.e. by 11:00 A.M. 28th September, 2021.
2. For the Resolutions, Explanatory Statements and notes, please refer to the notice of the 42nd Annual General Meeting of the Company.
3. Please complete all details including detail of member(s) in above box before submission.

# Route Map of AGM venue





BOOK POST

*If undelivered, please return to :*

**LORDS CHLORO ALKALI LIMITED**

A-264, 1<sup>st</sup> Floor, Defence Colony, New Delhi-110024