



31st
Annual Report
2009 - 2010

LORDS CHLORO ALKALI LIMITED

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Board of Directors

Shri Laxmi Paul Dhir
Shri Ashok Kumar
Shri Rakesh Ahuja
Shri Pawan Kumar Nayyar
Shri Dhananjay Gautam
Shri Jeevesh Kumar
Shri Yuvraj Ahuja
Shri Sri Mohan Sharma
Shri Krishna Lal Batra
Shri Sandeep Chaudhari
Shri Ajay Virmani
Shri Jagtar Singh
Shri Shiv Dutt Sharma
Shri Rajbir Singh Makhni
Shri Shyam Chowdhary
Shri Chandra Shakher Pathak

Chairman, Non Executive Director
Managing Director
Non Executive Director
Independent Director
Director (Business Co-ordination)
Director (Corporate Strategy)
Executive Director
Independent Director
Independent Director
Independent Director
Executive Director & CEO
Director (Technical)
Independent Director
Independent Director
Independent Director
Independent Director

**Company Secretary &
Compliance Officer**

Pravesh Srivastava

Statutory Auditors

M/s. Alag Kumar & Associates,
Chartered Accountants,
C-460, Defence Colony,
New Delhi-110024.

**Advocates &
Solicitors**

M/s. Dhir & Dhir Associates,
D-55, Defence Colony,
New Delhi-110024.

**Registrar & Share
Transfer Agent**

M/s. Skyline Financial Services Pvt. Ltd.
D- 153/A, 1st Floor, Okhla Industrial Area,
Phase – 1, New Delhi-110020
Phone No. 011-26812682-84
Fax No. 011-26812681.

**Registered Office &
Plant**

SP-460, Matsya Industrial Area,
Alwar-301030 (Rajasthan).

Corporate Office

B-88, Defence Colony,
New Delhi-110024.

NOTICE

NOTICE is hereby given that the Adjourned 31st Annual General Meeting of the Members of LORDS CHLORO ALKALI LIMITED will be held on Thursday, 30th day, September, 2010 at 10.30 a.m. at Regd. Off. at SP-460, Matsya Industrial Area, Alwar (Rajasthan) to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and Profit & loss for the financial year ended on that date and report of the Board of Directors and Auditors thereon.
2. To appoint Auditors and consider in this connection, to pass with or without modification(s) the following resolution proposed as an Ordinary Resolution: -

“**RESOLVED THAT** M/s. Alag Kumar & Associates, Chartered Accountants, New Delhi, the retiring Auditors, who have offered their services and who are qualified to act as Auditors of the Company under section 224(1B) of the Companies Act, 1956, be and are hereby re-appointed Auditors of the Company to hold office until the conclusion of next Annual General Meeting and the Board of Directors of the Company be and is hereby authorized to fix their remuneration.”

For and on behalf of the Board of Directors

Place : New Delhi
Date : 03.09. 2010

(Laxmi Paul Dhir)
Chairman

(Ashok Kumar)
Managing Director

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.**
2. The 31st Annual General Meeting held on 22nd June, 2010 was adjourned for sine die to a date not later than 30th September 2010 for adoption of Audited Balance sheet as at 31st March, 2010 and Profit & loss for the financial year ended on that date and report of the Board of Directors and Auditors thereon and re-appointment of Auditors.
3. Register of Members and Share Transfer Books of the Company were remain closed from 27th September, 2010 to 30th September, 2010 (both days inclusive).
4. Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company for admission to the meeting hall.
5. All the documents referred to in the accompanying Notice and Explanatory Statements are open for inspection at the Registered Office of the Company between 11-00 a.m. to 1-00 p.m. on all working days till the date of Adjourned 31st Annual General Meeting.
6. Notice of 31st Annual General Meeting held on 22nd June, 2010 is annexed herewith for information.

DIRECTORS' REPORT

Your Directors are pleased to present the 31st Annual Report together with the Audited Accounts of the Company for the financial year ended on 31st March, 2010.

1. FINANCIAL RESULTS

The comparative financial results of the company are given below:

(Rs. in lac)

	2009-10	2008-09
Sales	11428.60	12970.85
Other Income	994.42	123.09
Operating Profit / (Loss) before Interest, Depreciation & Exceptional Items	518.79	1373.12
Interest	14.27	0.89
Depreciation	521.67	593.98
Net Profit/(Loss)	(10.70)	397.42

2. PERFORMANCE

Your Company has achieved a better capacity utilization and optimizing efficiencies in plant during the year ended on 31st March 2010.

The Company has taken steps for revamping the plant, increasing efficiency and increasing capacity of the plant, to bring down the Cost of Production.

During the year under review, your Company has achieved production of 51812 MT Caustic Soda as against 44840 MT (previous year), a rise of 16% over last year. Gross Turnover was Rs. 11428.60 lac as against of Rs. 12970.85 lac last year. However, despite higher production & Sale, the turnover as well as profitability of the company has been lower due to fall in price of the products triggered by recessionary trends around the world, resulting in, the company has incurred a Net Loss of Rs. 10.70 lac as against Net Profit of Rs. 397.42 lac in the last year.

3. ACHIEVEMENTS, AWARDS AND APPRECIATIONS

Your directors are pleased to inform that in recognition of its continuous journey of excellence, your company has achieved a prestigious ENERGY CONSERVATION AWARD (First Prize) for its outstanding performance in the field of ENERGY CONSERVATION, awarded by the Government of Rajasthan for the year 2008-09.

Persons coming forward with schemes and suggestions to reduce pollution levels, increase efficiencies of different equipments and machines are being appreciated and suitably rewarded.

4. RESUMPTION OF TRADING OF EQUITY SHARES AT BSE

Your directors are pleased to inform that Bombay Stock Exchange vide its notice dated 29th March 2010, has revoked the suspension of Trading of equity shares of the company w.e.f. 5th April 2010. The trading of shares resumed in 'T' Category.

5. BIFR STATUS / SANCTIONED SCHEME

The Hon'ble BIFR vide its order dated 30th November 2006 sanctioned a Rehabilitation Scheme with some relief's and concessions. The Scheme envisages grant of relief's and concessions from Secured Lenders, Central Government, Government of Rajasthan, Provident Fund Authorities, ESI Authorities, Existing Promoters, Strategic Investors and other statutory authorities etc. On the basis of the relief's and concessions as envisaged in the Scheme, the company is approaching to the appropriate authorities and financial institutions.

During the year, your Company has De-registered from the purview of BIFR in the month of March 2010. The H'ble BIFR while passing the order directed that:

"The un-implemented provisions of the Sanctioned Scheme (SS-09) if any, should be implemented by the concerned agencies and their implementation would be monitored by the company M/s Lords Chloro Alkali Limited".

Implementation of the BIFR Scheme is under progress.

6. MARKETING

The Company is engaged in the manufacture and sale of Caustic Soda and its related products viz. Chlorine, Hydrochloric Acid, Calcium Hypo Chloride, Hydrogen Gas, Stable Bleaching Powder (SBP) and Tri Chloro Ethylene (TCE).

The product-wise Sales are given below :

Product	SALES			
	2009-10		2008-09	
	Quantity (MT)	Value (Rs. in lac)	Quantity (MT)	Value (Rs. in lac)
Caustic Soda	50579	9317.07	43489	10884.20
Liquid Chlorine	37037	1390.37	29268	1109.16
Hydrochloric Acid	7410	88.54	13992	178.92
Calcium Hypo Chloride	10509	21.49	13789	48.20
Stable Bleaching Powder (SBP)	6269	557.45	7241	643.87
Hydrogen Gas	58	48.99	74	65.39
Tri Chloro Ethylene (TCE)	7	4.69	66	41.11
Total		11428.60		12970.85

7. EXPANSION PROJECT

We are pleased to inform that your company has re-started the production of Tri-Chloro- Ethylene (TCE) in the month of June 2010.

The Company will commission the remaining capacity of 130 TPD of Caustic Soda in the next year, for which we are approaching to bank for Term Loan Assistance.

8. FUTURE OUTLOOK

The Company is continuing its endeavor to reduce its costs and utilizing the existing installed capacity of Caustic Soda, Stable Bleaching Powder (SBP), Tri Chloro Ethylene (TCE) etc.

The Company is making investment through own funds, unsecured loan and term loan to refurbish the existing plant and stabilize the production at 225 TPD in near future. After refurbishing, the break downs will reduce, resulting in cost savings and enhancement of profitability.

The Company has restarted the production of Tri Chloro Ethylene (TCE) which will be increased to 400 MT per month in the near future.

The Company is in the process of stabilizing the production of Caustic Soda and Stable Bleaching Powder and the actual production is expected to be increased to 60,000 MT and 8,000 MT respectively in 2010-11.

To reduce the power and fuel cost further, your Company is entering into a Power Trading Agreement.

The Company is proposing to invest for installing Sodium Hypo Plant for better treatment and comprehensive treatment of Waste Chlorine.

Small and medium entrepreneur have approached the company for putting up Chlorine based plants in Alwar or in LCAL premises which will help the company to utilize its co-products to the maximum and the same is under progress.

In the last five years, the Company has maintained cordial relationship with its workforce and taken initiatives to boost the morale and team spirits. The Company has been able to effectively manage its workforce, both own and contractual, to obtain amongst the highest efficiencies. The Company is continuing its endeavor to establish harmonious relations with its team to achieve the performance.

9. DIRECTORS

In accordance with the provision of Section 256 & 257 of the Companies Act, 1956, Shri Rakesh Ahuja, Director retires from office by rotation and being appointed as Director by the members in the Annual General Meeting held on 22.06.2010.

In accordance with the provision of Section 256 & 257 of the Companies Act, 1956, Shri Sandeep Chaudhari was appointed as Director in place of Shri Ravi Kathpalia, who has retired by rotation.

Shri Laxmi Paul Dhir, Shri Krishan Lal Batra, Shri Sri Mohan Sharma, Shri Ajay Virmani and Shri Yuvraj Ahuja, appointed as an Additional Director by the Board w.e.f. 14.05.2010 and they have been appointed as Directors by the members in the Annual General Meeting held on 22.06.2010.

Shri Nilesh Sharma, Director of the Company has resigned from the Board w.e.f. 14.05.2010.

Shri Shiv Dutt Sharma, Shri Rajbir Singh Makhni, Shri Shyam Chowdhary and Shri Chandra Shakher Pathak appointed as an Additional Directors by the Board w.e.f. 30.06.2010 and will hold the office upto the date of next Annual General Meeting held in next financial year 2010-11.

Board of Directors welcome all new Directors and placed its appreciation on record for the services and guidance rendered by Shri Ravi Kathpalia as Chairman and Shri Nilesh Sharma as Director during their tenure to the Company.

10. AUDITORS' OBSERVATIONS

In reference to the Comments mentioned in the para 4A(i) & (ii) and 4B (i) & (ii) of the Auditors Report for the year 2009-10, we wish to submit the following:

- I. With respect to the observation regarding non conformation of certain balances of current assets, sundry debtors, loans and advances and current liabilities including secured creditors, it is submitted that the company is a sick company and Hon`ble BIFR has sanctioned a scheme on 30th Nov. 2006. All the liabilities have been restructured as per the provisions of the rehabilitation scheme. The company has received confirmation letters from various parties, however, we are still waiting confirmation from some of the parties, therefore, some balances are subject to confirmation. We are trying to reconcile the said balance with the concerned parties.
- II. With respect to non transfer of the amount of Rs. 11.64 lac to the Investor Education and Protection Fund (IEPF), it is stated that certain papers and documents relating to this transaction are not available and as soon as the records are reconciled, we will transfer/deposit the said amount.
- III. The company has entered into an Agreement for Sale of its land at Modigarh, Ramgarh District Alwar, Rajasthan for a consideration of Rs. 625 lac and on receipt of advance the possession has been handed over to the vendee. As per the terms of agreement, total consideration has to be received by 30th September 2010. The company has received part payment by March 2010. Subsequently, substantial payment amounting to Rs. 500 lacs has already been received by the company by the date of completion of audit. As substantial payment has been receipt and the possession has also been handed over in terms of the Agreement to sell dated 25th March 2010, the company has recognized the sale of the asset u/s 53A of the Transfer of Property Act, 1882.
- IV, The company has started trading activities of Caustic Soda and other items during the year 2009-10. In some of the transactions, vender failed to deliver the goods as agreed. However, company was able to enforce the damages on them and the counter party has given the credit notes and confirmatory letters and substantial payments has also been received by the date of the completion of audit, accordingly, the same has been recorded in the books of accounts as other income on 31st March, 2010.

11. AUDITORS

M/s. Alag Kumar & Associates, Chartered Accountants, Auditors of the Company, hold office until the conclusion of ensuing Annual General Meeting and are recommended for re-appointment. Certificate from the Auditors have been received to the effect that their re-appointment, if made, would be within the limits prescribed under section 224(1B) of the Companies Act, 1956.

12. COST AUDITORS

In accordance with section 233B of the Companies Act, 1956, and subject to approval of the Central Government, the Company has re-appointed M/s. Goyal, Goyal & Associates, Cost Accountants, New Delhi, as Cost Auditors to conduct the cost audit of the accounts relating to its products for the financial year 2010-11. The Company has obtained the approval for the same from the Central Government.

13. SAFETY, ENVIRONMENT PROTECTION & POLLUTION CONTROL

The Company continues to give priority to safety and pollution control measures. It has been strictly following the requisite guidelines as received from the Pollution Control Board.

Pollution Control being one of the important point in our quality policy. We are putting maximum efforts and taking utmost care to ensure that surrounding environment is not getting polluted during the process of manufacturing our main and by-products.

Few other efforts being put are as under:

On the awareness front, employees are being given training as regards the handling of the products and by-products. We have already worked out HAZOP Study and continuously adopting the plan to avoid

confusion for action to be taken in case of a sudden release of chlorine or similar harmful chemicals. The transporters and personals involved in the process of transportation have been trained to handle all sorts of problems which can arrive during the process of transportation. A culture has been inculcated wherein all employees are encouraged to use personal protective equipments. As a token of indication of pollution free atmosphere, we are maintaining greenery right in the heart of the plant. We have installed air sampling points at all strategic locations and continuous monitoring of air to ensure pollution free atmosphere. Chlorine sensors have been installed at different location of the plant for monitoring of Chlorine emission to proper control of pollution.

14. PARTICULARS OF EMPLOYEES

Information as required under section 217(2A) of the Companies Act, 1956, read with Companies (particulars of employees) Rules, 1975 as amended, the names and other particulars of employees are set out in the annexure to the Directors' Report.

15. INDUSTRIAL RELATIONS

Cordial Industrial relations and improvement in productivity were maintained at the Company's Plant and Office and your management appreciates the support of employees/ workers at all levels for their dedicated services to achieve the performance.

16. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors wish to inform that the audited accounts containing financial statement for the financial year 31st March, 2010 are in full conformity with the requirement of the Companies Act, 1956.

Directors believe that the financial statements reflect fairly, the forms and substance of the transactions carried out during the year and reasonably present the Company's financial condition and result of operations.

Pursuant to Section 217(2AA) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2000 the directors of the Company declare as under:

- i. that in the preparation of the Annual Accounts, the applicable Accounting Standard have been followed along with proper explanation relating to material departures.
- ii. that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit or loss of the Company for that period.
- iii. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. that the directors had prepared the annual accounts on a going concern basis.

17. CORPORATE GOVERNANCE REPORT

A Report on Corporate Governance forms part of this Report. The Management Discussion & Analysis Report and the Certificate from the Practicing Company Secretary confirming the compliance with Clause 49 of the Listing Agreement relating to Corporate Governance is also annexed to the Report.

In compliance with the requirement of clause 49 (V), a certificate from Executive Director & CEO and Chief Financial Officer was placed before the Board.

18. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGOING.

In compliance with provisions of clause (e) of sub-section (1) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 the statements giving the required information relating to energy conservation, technology absorption, foreign exchange earnings and outgoings are annexed hereto.

19. FIXED DEPOSIT

During the year under review, the Company did not raise funds by the way of fixed deposits and no such amount of principle or interest was outstanding as on the date of balance sheet.

20. 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 thanks to the Shareholders, 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

(Laxmi Paul Dhir)
Chairman

Place : New Delhi

Date : 03.09.2010

FORM - A
FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

SL. NO.	PARTICULARS	YEAR 2009-2010	YEAR 2008-2009
(A) 1.	POWER & FUEL CONSUMPTION : ELECTRICITY		
	(a) PURCHASE UNITS	164320560	136015560
	TOTAL AMT. Rs.	681183037	569112304
	AVG. RATE / KWH Rs.	4.15	4.18
	(b) OWN GENERATION:		
	THROUGH POWER GENERATORS		
	UNITS (KWH)	47291	41074
	CONSUMPTION OF HSD (MT)	15.82	14.12
	UNIT PER KG. OF HSD (KWH)	2.99	2.91
	COST OF UNIT (Rs.)/(KWH)	13.98	14.36
2.	FURNACE OIL QTY. (MT)	249	133
	TOTAL AMOUNT (Rs.)	6095791	3305742
	AVG. RATE PER MT (in Rs.)	24481	24855
3.	OTHERS	N.A.	N.A.
(B)	CONSUMPTION (KWH/MT)		
1.	PRODUCTION OF CAUSTIC SODA (MT)	51812	44840
2.	ELECTRICITY (KWH/MT)	3172	3034
3.	FURNACE OIL (LTR / MT)	50.39	16.32

FORM - B

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

A. CONSERVATION OF ENERGY

- Replacement of Diaphragm type quick exhaust valves in Nitrogen Units for better operation and purity below 0.2% for enhance plant safety measures.
- Electronic Temperature Scanners have been provided instead of Temperature Gauges for enhancing efficiency, cost reduction as safety measures at various sections.
- Electronic Controllers have been provided in HCL unit for trouble free operation and for better safety.
- Safety Interlocks have been provided in UDHE Plant for controlling better differential voltage and individual controllers for each block of Cells to be provided shortly which will enhance safety and energy saving.
- 80% of process condensate water being re-cycled to boiler feed to save energy and water.

It is ongoing process at **Lords Chloro Alkali Limited** to monitor the Process Flow Parameters, Pumps and Compressor Ratings etc., to modify and alter them as per requirement in a view to optimize energy consumption.

B. TECHNOLOGY ABSORPTION & INNOVATION

Import substitution of spares & raw materials, energy conservation and cost reduction is under regular R&D efforts.

C. ASSISTANCE TO ANCILLARY INDUSTRIES

Company provides continuous assistance to CPW manufacturers (Ancillary Units) in the vicinity of Alwar and providing necessary technical support to them from time to time.

FORM – C

FOREIGN EXCHANGE EARNING AND OUTGOING

The total foreign exchange earned and used :

(Rs. in Lac)

	31 st March, 2010	31 st March, 2009
(i) Earned	--	37.10
(ii) Used	19.83	154.80

Annexure to Directors' Report (Statement pursuant to section 217(2A) of the Companies Act, 1956)

Name	Designation & Nature of Duties	Age	Qualification	Exp.	Last Employment	Date of Commencement of Employment	Gross Remuneration (per annum) Rs.
Shri Ashok Kumar	Managing Director	54	B.Com.(H) FCA, FCS AMIIA (U.S.A)	32	Modi Rubber Limited	01.05.1994	5381516
Shri Ajay Virmani	Executive Director & CEO	48	B.Com. FCA	23	CEO, Supreme Texmart Ltd.	09.10.2008	2806172
Shri C.B. Agarwal	President (Commercial)	50	B.Com. FCA	23	Asst. Vice President (Marketing) Grasim Industries Ltd.	01.02.2007	2786276

- i Gross Remuneration shown above is subject to tax and comprises allowances, rent, medical reimbursement and provident fund in terms of actual expenditure incurred by the Company.
- ii In addition to above, employee is entitled to suitable benefits as per company rule.
- iii Shri Ajay Virmani was appointed Executive Director & CEO of the Company w.e.f. 14.05.2010
- iv Shri Ashok Kumar is the relative of Shri Jeevesh Kumar, director of the Company.
- v Shri Ajay Virmani and Shri C. B. Agarwal are not a relative of any of the Directors of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Your Company commenced the production in the year 1983 and started manufacturing Caustic Soda (lye & flakes), Chlorine, Hydrochloric Acid and value added products like Stable Bleaching Powder (SBP) and Tri-Chloro Ethylene (TCE).

The total domestic consumption of Caustic soda during the year 2009-10 was approximately 25.75 lacs MT as against 23.17 lacs MT during the year 2008-09. There has been an increase in domestic consumption by 11.10% during the year. The total domestic production of Caustic Soda during the year 2009-10 was 23.26 lacs MT as against 21.99 lacs MT during the year 2008-09. There has been an increase in domestic production by 5.8% during the year.

The Company's products Caustic Soda/Chlorine are required by variety of industries like Paper Mills, Textiles, Soap, Power House, Refineries and Aluminum. Other Products produced by the Company are required by industries like Sugar, Water Treatment and used as raw materials for production of various Chemicals and pesticides, Metal cleaning, finishing and solvent extraction etc.

Your Company is supplying Caustic Soda Lye and Chlorine to various companies in the organized sectors i.e. M/s. Hindustan Unilever Ltd. (HUL), M/s. Godrej Consumer Products Ltd. & M/s. SRF Ltd.

Your Company has restarted TCE Plant which will improve both the top line and bottom line of the Company.

Hydrogen gas, another by-product of the industry, is traditionally used in hydrogenation of vegetable oils and is also finding increased usage in optical fiber industry and other hydrogenation applications in organic chemicals as well as clean fuel.

SAFETY AND ENVIRONMENT

Company's Commitment to safety and preservation of environment has been encompassed in its "Safety Health and Environment (SHE) policy". The Company has continued its emphasis on safety awareness for operations of caustic soda plant. Company has taken adequate steps for pollution controls as well as other safety measure steps for protection of environment.

PERFORMANCE

During the year, in our country, the installed capacity of Caustic Soda has increased from 29.23 lac MT in 2008-09 to 31.99 lac MT in 2009-10, approximately an increase of 9.40% over the previous year.

Due to global recession in manufacturing and infrastructure sectors, the demand of chlor – alkali chemicals also got effected badly in USA, Europe and China resulting in substantial reduction in the international prices of Caustic Soda which has affected the domestic market due to cheap imports. Due to lower import prices of Caustic Soda, the import has increased to 3.89 lacs MT in the year 2009-10 against the import of 1.85 lacs in the year 2008-09. Hence, the growth in the import was 110 %. This has adverse impact on the financial performance of the Domestic Industry.

During the year the Production performance of our products are tabulated below:

Product	2009-10 (MT)	2008-09 (MT)
Caustic Soda	51812	44840
Liquid Chlorine	47042	40416
Hydrochloric Acid	19413	22433
Calcium Hypo Chloride (Bleach Liquor)	10509	13789
Stable Bleaching Powder (SBP)	6319	7241
Hydrogen Gas	1239	952
Tri Chloro Ethylene (TCE)	-	42

OUTLOOK

The capacity of the industry is under-utilized. However, with improvement in the GDP growth rate, which is closely linked with the growth of the manufacturing and infrastructure sector, the demand for the Chloro Alkali sector is continuously growing.

The international prices have improved but due to coming of new capacities there is temporary surplus situation of our main products Caustic Soda. The new capacities may get absorbed in few months and the market conditions are likely to improve in coming time.

The operating margins of the Company witnessed pressure on account of rise in prices of inputs cost like furnace oil, coal and major chemicals etc. which are raw materials for manufacturing Caustic Soda.

CORPORATE GOVERNANCE REPORT

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

Corporate Governance is a reflection of a Company's culture, policies, its relationship with the stakeholders, and its commitment to values. Corporate Governance aims at fairness, transparency, accountability and responsibility in the functioning of the Company with ultimate objective of realizing and enhancing shareholders value. The company's philosophy on the Code of Corporate Governance is a tuned to these aspects and to the philosophy of the Company which is:

- i) to ensure that adequate control system exist to enable the Board in effectively discharging its responsibilities to all the stakeholders of the company,
- ii) to ensure that the decision making process is fair and transparent,
- iii) to ensure the fullest commitment of the management and the board for the maximization of the shareholder value,
- iv) to ensure that the employees of the company subscribed to the corporate values and apply them in their conduct and
- v) to ensure that the company follows globally recognized corporate governance practices.

2. Board of Directors

Composition of Board

- i) At present the Board has an optimum combination of executive and non-executive directors, comprising of experts from various fields/professions. The Board consisting of sixteen directors out of which ten directors are Non-Executive Directors.
- ii) The Chairman of the Board is Non-Executive Director and is a relative to the promoters. Therefore, Company have the optimum combination of half of the Board as Independent Directors. The composition of the Board of Directors of the Company is in accordance with clause 49 of the Listing Agreement.

Board Meetings

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

During the financial year 2009-10, Six (6) Board Meetings were held on 30.05.2009, 29.06.2009, 31.07.2009, 26.09.2009, 29.10.2009 and 18.01.2010.

MEMBERSHIP, ATTENDANCE AND OTHER DIRECTORSHIP

The composition of the Board and attendance of each director at Board Meetings held during the financial year 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 *	Designation	Director-ship in other Pub. Cos.	Committees	
		Board Meeting	Last AGM				Chairman	Member
1.	Shri Ravi Kathpalia**	4	No	I & NED	Chairman	4	1	4
2.	Shri Ashok Kumar	6	Yes	MD	Managing Director	1	–	–
3.	Shri Rakesh Ahuja	4	Yes	NED	Director	–	–	2
4.	Shri Pawan Kumar Nayyar	2	No	I & NED	Director	–	–	1
5.	Shri Dhananjay Gautam	6	Yes	ED	Director (Business Co-ordination)	–	–	–
6.	Shri Jeevesh Kumar	3	Yes	ED	Director (Corporate Strategy)	–	–	–
7.	Shri Nilesh Sharma***	5	No	I & NED	Director	–	2	–
8.	Shri Jagtar Singh	5	Yes	ED	Director (Technical)	–	–	–

* MD– Managing Director, ED– Executive Director, I– Independent Director, NED– Non-Executive Director.

** Shri Ravi Kathpalia was retired on the AGM held on 22.06.2010

*** Shri Nilesh Sharma Resigned from the Directorship w.e.f. 14.05.2010

3. Board Committees

To enable better and more focused attention on the affairs of the company, the Board delegate 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.

i) Audit Committee:

The scope of the functions and broad Companies Act terms of reference of the Audit Committee are commensurate with provisions of Section 292A of the Companies Act, 1956 and as per clause 49 of the Listing Agreements with the Stock Exchanges. The Audit Committee reviews and reports to the Board on the followings:

- i. Scope of Internal Audit
- ii. Compliance with legal & statutory requirements.
- iii. Quarterly, half yearly and yearly Financial Results of the Company before submission to Board.

As on 31st March, 2010, the Audit Committee of Directors of the Company comprised of three Directors including Independent Directors and Non-Executive Directors.

The constitution of the Audit Committee was as follows:

- | | |
|------------------------|----------|
| 1. Shri Nilesh Sharma | Chairman |
| 2. Shri Ravi Kathpalia | Member |
| 3. Shri Rakesh Ahuja | Member |

During the financial year 2009-10, Four (4) Audit Committee Meetings were held on 29.06.2009, 31.07.2009, 29.10.2009 and 18.01.2010.

ii) Shareholder's/ Investor's Grievance Committee

The Shareholder's / Investor's Grievance Committee consisting of three Directors including Independent Directors and Non-Executive Directors.

The Committee also looks into the redressal of shareholder's complaint like transfer of shares, non-receipt of annual report, dividend/ warrant etc. As on 31st March, 2010, the constitution of the Shareholder's / Investor's Grievance Committee was as follows:

- | | |
|------------------------|----------|
| 1. Shri Nilesh Sharma | Chairman |
| 2. Shri Ravi Kathpalia | Member |
| 3. Shri Rakesh Ahuja | Member |

During the year 2009-10, Four (4) Shareholder's / Investor's Grievance Committee Meetings were held on 29.06.2009, 20.07.2009, 29.10.2009 and 18.01.2010.

iii) Remuneration Committee

Remuneration of Whole time/Executive Directors is considered by the Board of Directors, based on the recommendations of the Remuneration Committee.

The Remuneration Committee consists of three Directors and all of them are Independent Directors and Non-Executive Directors. As on 31st March, 2010, the constitution of the Remuneration Committee was as follows:

- | | |
|----------------------------|----------|
| 1. Shri Nilesh Sharma | Chairman |
| 2. Shri Ravi Kathpalia | Member |
| 3. Shri Pawan Kumar Nayyar | Member |

During the Financial Year 2009-10, One (1) Remuneration Committee Meeting was held on 18.01.2010.

4. 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		
2008-2009	30	29-09-2009	12.30 PM	SP-460, Matsya Industrial Area, Alwar, (Raj)
2007-2008	29	29-11-2008	12.30 PM	SP-460, Matsya Industrial Area, Alwar, (Raj)
2006-2007	28	14-09-2007	12.30 PM	SP-460, Matsya Industrial Area, Alwar, (Raj)

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

30th Annual General Meeting (29.09.2009)

Appointment of Shri Jagtar Singh as Director (Technical).

29th Annual General Meeting (29.11.2008)

There were no Special resolutions passed in the last Annual General meeting.

28th Annual General Meeting (14.09.2007)

- a. Appointment of Shri Dhananjay Gautam as Director (Business Co-ordination).
- b. Appointment of Shri Jeevesh Kumar, as Director (Corporate Strategy).
- c. Issuance of equity shares on preferential basis under section 81(1A) of the Companies Act, 1956.
- d. Insertion a new Article numbered 13(d) after 13(c) of the Articles of Association of the Company.
- e. Insertion a new Article numbered 113(A) after 113 of the Articles of Association of the Company.

5. Disclosure

None of the transactions with any of the related parties were in conflict with the interest of the company at large.

The details of related party transactions are furnished under Schedule to 'Notes to Accounts' of Balance Sheet and Profit & Loss Account to comply with Accounting Standard 18.

The Company has mostly complied with the requirements of regulatory authorities.

6. Listing

The Equity Shares of the Company is listed with Bombay Stock Exchange, Delhi Stock Exchange and Jaipur Stock Exchange.

The Bombay Stock Exchange vide its notice date 29th March 2010, has revoked the suspension of trading of the equity shares of the Company w.e.f. 5th April 2010. The trading of the shares resumed in 'T' Category. The Company has obtained listing approval for all Equity Shares from JSE, and all the papers has been submitted to DSE, however, approval from DSE is awaited.

7. Means of Communications

The Unaudited Quarterly/Half Yearly Financial Results of the Company are published in English and local language news-papers as required under the Listing Agreement and intimation of the same also sent to Stock Exchanges from time to time. The Website of the company has been launched i.e. www.lordschloro.com. Management discussion and analysis form a part of annual report and is given in a separate chapter thereto.

8. General Shareholder Information

Day, Date & Time of Adjourned AGM	: Thursday, 30 th Sept, 2010 at 10.30 AM
Venue of Adjourned AGM	: Regd. Off. - SP-460, MIA, Alwar (Raj.)
Financial Year	: 1 st April, 2009 to 31 st March, 2010
Book Closure Period	: 27 st Sept. 2010 to 30 th Sept. 2010 (both days inclusive)
Listing of Shares	: Bombay Stock Exchange, Delhi Stock Exchange, Jaipur Stock Exchange.
Stock Code	: 500284 (BSE)
Scrip id	: LORDSCHLO
ISIN NO.	: INE846D01012

The Company has paid listing fees to all the exchanges namely Bombay Stock Exchange, Delhi Stock Exchange and Jaipur Stock Exchange upto the year 2010-2011. The Company is regularly complying with all the compliances of listing agreements with the stock exchanges.

Registrar & Share Transfer Agents	M/s. Skyline Financial Services Pvt. Ltd., D- 153/A, 1 st Floor, Okhla Industrial Area, Phase – 1, New Delhi-110020 Phone No. 011-26812682-84 Fax No. 011-26812681
Email	: admin@skylinerta.com

Dematerialization of Shares: NSDL and CDSL, (Depositories) Mumbai have allotted **ISIN INE 846D01012** for dematerialization of equity shares of the Company. All esteemed Shareholders are requested to kindly demat their shares with NSDL/CDSL connectivity. As on 30.06.2010, 53.14% of the total shares are held in Demat.

Plant Location	: SP-460, Matsya Industrial Area, Alwar-301030 (Rajasthan)
Addresses for Correspondence	: 1) SP-460, Matsya Industrial Area, Alwar-301030 (Rajasthan) : 2) B-88, Defence Colony, New Delhi-110024.
Company Secretary & Compliance Officer	: Shri Pravesh Srivastava
Email Id	: secretarial@lordschloro.com

- 9. Executive Director & CEO and CFO Certification :** As required under Clause 49 of the listing agreement, necessary certification from Executive Director & Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company for the financial year ended on 31st March, 2010 was placed before the Board of Directors of the Company.

10. Shareholding Pattern as on 31st March, 2010 is as under:

Category	No. of Shares	% of Shareholding
Promoters	20714859	82.35
Financial Institutions/Banks/ Mutual Funds/Insurance/State Govt.	160872	0.64
Public	2656986	10.56
Others (NRI & OCBs)	1621144	6.45
Total	25153861	100.00

11. Distribution Schedule of the Equity Shares as on 31st March, 2010

Total Share holding		No. of Shareholder	% of total Shareholders
0	500	48674	99.70
501	1000	59	0.12
1001	2000	24	0.05
2001	3000	8	0.02
3001	4000	3	0.01
4001	5000	0	0.00
5001	10000	5	0.01
10001 &	Above	40	0.09

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 31.03.2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the said Clause of the above mentioned Listing Agreement(s).

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 SKP & CO.
Company Secretaries**

**(CS. Sundeep K. Parashar)
Prop.
C. P. No.6575**

Date : 03.09.2010
Place : New Delhi

AUDITOR'S REPORT

THE MEMBERS LORDS CHLORO ALKALI LIMITED NEW DELHI

1. We have audited the attached balance sheet of Lords Chloro Alkali Limited as at March 31, 2010 and also the profit and loss account and cash flow statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent they are applicable to the Company.
4. Further to our comments in the annexure referred to in paragraph 3 above, we report that :
 - A. (i) *Balances of current assets, sundry debtors, loans and advances and current liabilities including sundry creditors are subject to confirmation and adjustments necessary upon reconciliation thereof. The effect of the adjustment arising from the reconciliation/confirmation that may arise is not ascertainable.*
 - (ii) *The Company has not transferred an amount of Rs. 11.64 Lakhs (previous year Rs. 11.64 Lakhs) to the "Investor Education and Protection Fund", as required. This is a contravention of the provisions of section 205 C of the Companies Act, 1956 (Refer note no. B-6 of schedule 'P').*
 - B. (i) *During the year , the Company has entered into an agreement with another company for sale of its land at Modigarh, Alwar for Rs. 625 lacs. An advance of Rs. 25 lacs only has been received on this account till 31st of March, 2010. However the same has been recorded as sale of land in the books and the company has taken entire profit of Rs. 615.58 lacs to the profit and loss account for the year. This has resulted in anticipating the profit where only part of the total consideration has been received. (Refer Note No. B -7, Schedule – P)*
 - (ii) *The company has started trading in chemicals during the year 2009-10. In some of the Transactions, vendors failed to deliver the goods as agreed. Damages of Rs. 325/- lacs has been recorded as receivable from them in the books of accounts as other income on 31st March, 2010. In the absence of any confirmation from the vendors, We are of the opinion that this amounts to anticipating the profit and is contrary to Generally Accepted Accounting Principles. (Refer Note No. B - 8, Schedule – P)*

5. We further report that, without considering our observations in para 4 (A) above, the effect of which could not be determined, had the observations made by us in para 4 (B) above been considered, the loss for the year would have been Rs. 1027.48 lacs (as against reported loss of Rs. 10.71 lacs) and accumulated loss would have been Rs. 828.32 (as against reported figure of Rs. 188.46 /- as accumulated profit.)
6. Subject to our comments in (3), 4. (A) (B) & (5) above and further to our comments in the annexure referred, we report that :
- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;
 - (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in section 211(3C) of the Companies Act, 1956.
 - (v) On the basis of written representations received from the directors as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In the absence of notification by the Central government , the cess payable under section 441A of the Companies act , 1956, has not been provided for in the books of accounts.
 - (vii) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view and in conformity with the accounting principles generally accepted in India -
 - (a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2010;
 - (b) in the case of the profit and loss account, of the loss of the Company for the year ended on that date; and
 - (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

For **ALAG KUMAR & ASSOCIATES**
Chartered Accountants
(Firm Regn. No. – FRN 015004N)

Place : New Delhi
Date : 3rd September, 2010

(GURBIR SINGH ALAG)
(Partner)
Membership No. 84075

Re: Lords Chloro Alkali Limited

(Referred to in paragraph 3 of our report of even date)

1.
 - a. The Company has maintained reasonable records showing necessary particulars including quantitative details and situation of fixed assets.
 - b. As informed to us, no physical verification of the fixed assets has been done during the year by the management. Hence we are unable to comment on the discrepancies, if any, which may arise on such verification.
 - c. During the year the Company has not discarded any Plant & Machinery, having material value, discarding of which can have any adverse impact on the performance of the Company. However company has entered into agreement to sell its land at Modigarh, which was not being used for any production activity.
2.
 - a. As informed to us, the inventory of the Company has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c. On the basis of our examination of the records of inventory, in our opinion, the Company has maintained proper records of inventory and as explained to us, the discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
3.
 - a. No loan has been given by the company to any entity covered under section 301 of the Act.
 - b. The company has taken unsecured loans from the entities covered in the register maintained under section 301 of the Act. The maximum amount involved during the year and the year end balance of such loan are Rs 7.66 cr and Rs 6.92 cr respectively.
 - c. In our opinion, the terms and conditions of such loans are not prima facie prejudicial to the interest of the company.
 - d. In respect of the aforesaid loans, the company is regular in repaying the principal and interest as and where applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventories and fixed assets and with regard to the sale of goods. During the course of our audit, we have neither come across nor have been informed of any major weakness in the internal control system.

5. a. In our opinion and according to the information and explanation given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- b. In our opinion and according to the information and explanation given to us and having regard to the explanation in para 4 above, the transactions made in pursuance of contracts and arrangements referred to in para 5 (a) above and exceeding the value of Rs. 5 lacs with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at that time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year within the meaning of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government of India has prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, in respect of Caustic Soda manufactured by the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
9. a. According to the records of the Company examined by us and the information and explanations given to us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, related education cess and other statutory dues applicable to it except for dues to Investor Education and Protection Fund where there have been certain delays.
- b. According to the records of the Company examined by us and the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, wealth tax, service tax, sales tax, customs duty and excise duty were outstanding, as at 31st March, 2010 for a period of more than six months from the date they became payable other than the following:

Sl. No.	Nature of Dues	Amount Due Over six months (as on 31 st March, 2010) (Rs.)	Remarks
1	Provident Fund & Employees State Insurance	Nil 3.99 lacs	<i>i. In view of settlement of staff and workers dues, at Alwar Works for the month of June, 1999 and financial years 1999-2000 and 2000-2001, P.F. on the above amounting to Rs. 8.13 lacs and ESI on the above amounting to Rs. 0.1 lacs.</i> <i>ii. The old PF dues are yet to be deposited related to previous years.</i>
2	Income Tax (T.D.S)	1.33 lacs	<i>TDS (TPT.) Balance</i>
3	Wealth Tax	6.58 lacs	<i>Provided for in the books.</i>
4	Investor Education & Protection Fund	11.64 lacs	<i>Refer Note no. B.6 –Schedule 'P'.</i>

- c. According to the records of the Company examined by us and the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute, *other than the following*:

Name of the statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty	166.20 lacs	1996-97	Hon'ble High Court, Rajasthan / CESTAT
Central Excise Act, 1944	Excise duty	110.72 lacs	1996-1999	Hon'ble High Court, Rajasthan
Central Excise Act, 1944	Excise duty	12.63 lacs	2003-2004	Hon'ble High Court, Rajasthan
Central Excise Act, 1944	Excise duty	157.91 lacs	1995-1999	Commissioner (Appeals) / CESTAT
Central Excise Act, 1944	Excise duty	1.89 lac	1997	Hon'ble Supreme Court
Central Excise Act, 1944	Excise duty	20.54 lacs	2007-2010	Joint Commissioner, Jaipur/ Asst. Commissioner, Alwar
Rajasthan Sales Tax Act, 1994	Electricity Duty	20.03 lacs	2004-2006	Dy. Commissioner-Commercial Taxes (Appeals)
Rajasthan Sales Tax Act, 1994	Entry Tax	69.27 lacs	2003-2010	Dy. Commissioner-Commercial Taxes (Appeals)
Income Tax Act, 1961	Income Tax	317.87 lacs	1996-97	Commissioner, Appeal Alwar

10. The accumulated losses of the Company at the end of the financial year are Nil (previous year NIL). The Company has not incurred cash losses during the financial year covered by our audit. Also refer to para 5 of the main report.
11. According to the records of the Company examined by us and the information and explanations given to us, all the lenders and financial institutions /banks have settled off their dues with the Company in terms of the rehabilitation scheme sanctioned by the Hon'ble BIFR and the company has come out of the purview of BIFR during the year.
12. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
13. According to the records of the Company examined by us and the information and explanations given to us, no term loans have been raised during the year by the Company.
14. According to the information and explanations given to us and on the basis of an overall examination of the balance sheet of the Company, in our opinion, generally, there are no funds raised during the year by the Company on short-term basis, which have been used for long-term investment.
15. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

16. During the period covered by our audit report, the Company has not issued any debentures.
17. During the period covered by our audit report, the Company has not raised any money by public issue.
18. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
19. The other provisions of the Order do not appear to be applicable for the year under report.

for **ALAG KUMAR & ASSOCIATES**
Chartered Accountants

Place : New Delhi
Date : 3rd September, 2010

(GURBIR SINGH ALAG)
(Partner)
Membership No. 84075

BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	SCHEDULE	AS AT 31.03.2010 (Rs. In Lac)	AS AT 31.03.2009 (Rs. In Lac)
SOURCES OF FUNDS			
SHAREHOLDER'S FUNDS :			
Share Capital	A	2515.39	2515.39
Reserves & Surplus	B	2335.57	2346.98
LOAN FUNDS:			
Secured Loans	C	31.48	2.17
Unsecured Loans	D	742.99	729.20
Deferred Tax Liability(Net)		257.28	412.67
TOTAL		5882.71	6006.41
APPLICATION OF FUNDS			
FIXED ASSETS:			
Gross Block	E	14855.82	14653.86
Less: Depreciation		10530.89	10012.74
Net Block		4324.93	4641.12
Capital Work-in-Progress		794.10	998.35
		5119.03	5639.47
INVESTMENT	F	2.77	3.20
CURRENT ASSETS, LOANS & ADVANCES:			
Inventories	G	722.76	817.93
Sundry Debtors		616.25	622.92
Cash & Bank Balances		24.58	52.43
Loans & Advances		1966.41	1054.16
		3330.00	2547.44
Less: CURRENT LIABILITIES & PROVISIONS :			
Current Liabilities	H	2213.17	1857.65
Provisions		355.92	326.05
Net Current Assets		760.91	363.74
TOTAL		5882.71	6006.41
Significant Accounting Policies & Notes to Accounts	P		

(Schedule "A" to "H" and Schedule "P" form an integral part of the Balance Sheet)
As per our report of even date attached

For ALAG KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Regn. No. - FRN 01500GN)

GURBIR SINGH ALAG
PARTNER
Membership No. 84075

LAXMI PAUL DHIR
CHAIRMAN

ASHOK KUMAR
MANAGING DIRECTOR

AJAY VIRMANI
EXECUTIVE DIRECTOR & C.E.O.

P. K. GOYAL
CHIEF FINANCIAL OFFICER

Place : New Delhi
Date : 3rd September 2010

PRAVESH SRIVASTAVA
COMPANY SECRETARY

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	SCHE-DULE	2009-2010 (Rs. In Lac)		2008-2009 (Rs. In Lac)
INCOME				
Sales		11428.60		12970.85
Less : Excise Duty		898.25		1458.32
		<u>10530.35</u>		<u>11512.53</u>
Other Income	I	994.42		123.09
Increase/(Decrease) in Stock	J	(49.27)		62.07
		<u>11475.50</u>		<u>11697.69</u>
EXPENDITURE				
Direct Manufacturing Expenses	K	9405.57		8807.25
Payments to and Provisions for Employees	L	787.66		818.53
Selling and Administrative Expenses	M	763.48		698.79
Financial Expenses	N	14.27		0.89
		<u>10970.98</u>		<u>10325.46</u>
Profit/ (Loss) before Depreciation, Exceptional Items and Tax		504.52		1372.23
Depreciation		522.38	594.69	
Less: Transferred from Revaluation Reserve		0.71	0.71	593.98
		<u>(17.15)</u>		<u>778.25</u>
Profit/ (Loss) before Tax and Exceptional Items		(17.15)		778.25
Adjustments for prior period (Net)/ Exceptional Items	O	(10.18)		(84.91)
Profit / (Loss) before Tax		(27.33)		693.34
Provision for Taxation				
Current year Tax - LTCG		(138.76)		(94.41)
MAT Credit Entitlement		-		78.56
Current year Deferred Tax Asset/(Liability)		155.39		(280.07)
Net Profit / (Loss)		<u>(10.70)</u>		<u>397.42</u>
Surplus / (Deficit) Brought forward from previous years		199.16		(198.26)
		<u>188.46</u>		<u>199.16</u>
Balance carried over to Balance Sheet		188.46		199.16
a)Basic and Diluted EPS Including Exceptional Items		(0.04)		1.58
b)Basic and Diluted EPS Excluding Exceptional Items		(0.04)		1.58
Refer Note No.13 of Schedule 'P') Significant Accounting Policies & Notes to Accounts	P			

(Schedule "I" to "O" and Schedule "P" form an integral part of the Profit & Loss Accounts)
As per our report of even date attached

**For ALAG KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Regn. No. - FRN 01500GN)**

**GURBIR SINGH ALAG
PARTNER
Membership No. 84075**

**LAXMI PAUL DHIR
CHAIRMAN**

**ASHOK KUMAR
MANAGING DIRECTOR**

**AJAY VIRMANI
EXECUTIVE DIRECTOR & C.E.O.**

**P. K. GOYAL
CHIEF FINANCIAL OFFICER**

**Place : New Delhi
Date : 3rd September 2010**

**PRAVESH SRIVASTAVA
COMPANY SECRETARY**

(Schedule "A" to "P" annexed to and forming part of Balance Sheet as at 31st March, 2010 and Profit & Loss Account for the year ended on that date)

SCHEDULE "A" - SHARE CAPITAL

PARTICULARS	AS AT 31.03.2010 (Rs. In Lac)	AS AT 31.03.2009 (Rs. In Lac)
AUTHORISED		
7,50,00,000 (Previous year 7,50,00,000) Equity Shares of Rs.10/-each	7500.00	7500.00
ISSUED		
2,51,58,885 (Previous year 2,51,58,885) Equity Shares of Rs.10/- each	2515.89	2515.89
SUBSCRIBED/PAID-UP:		
2,51,53,861 (Previous year 2,51,53,861) Equity Shares of Rs.10/- each fully called up and paid in cash	2515.39	2515.39
	<u>2515.39</u>	<u>2515.39</u>

SCHEDULE "B" - RESERVES & SURPLUS

PARTICULARS	AS AT 31.03.2010 (Rs. In Lac)	AS AT 31.03.2009 (Rs. In Lac)
CAPITAL RESERVES:		
Central Capital Subsidy	15.00	15.00
Surplus on Re-issue of forfeited Equity Shares	1.21	1.21
Revaluation Reserve	49.55	50.26
Add:Additions	-	-
Less:Deductions/Transfers	0.71	0.71
	<u>48.84</u>	<u>49.55</u>
Share Premium	2082.06	2082.06
Add:Additions	-	-
Less:Deductions/Transfers	-	-
	<u>2082.06</u>	<u>2082.06</u>
Profit and Loss Account	188.46	199.16
	<u>2335.57</u>	<u>2346.98</u>

SCHEDULE - "C" - SECURED LOANS

PARTICULARS	AS AT 31.03.2010 (Rs. In Lac)	AS AT 31.03.2009 (Rs. In Lac)
TERM LOANS:		
ICICI Bank Ltd.(Car Loan)	11.16	2.17
IFCI Factors Limited (Bill Discounting)*	20.32	-
	31.48	2.17

* Secured by pledge of 6,66,666 Nos equity shares by promoter & promoter group and personal guarantee by Managing Director.

SCHEDULE - "D" - UNSECURED LOAN

PARTICULARS	AS AT 31.03.2010 (Rs. In Lac)	AS AT 31.03.2009 (Rs. In Lac)
Fixed Deposit		
Other Loans and Advances:		
-From others *	742.99	729.20
	742.99	729.20

* Includes Sales Tax Loan from RIICO Rs. 40.48 Lac (Previous year Rs. 40.48 Lac is Interest free and guaranteed by the earlier Ex- Managing Directors and Ex- Directors of the Company in their personal Capacity). Also includes loans from Directors Rs. 20.00 Lac (Previous year Rs. 7.00 Lac).

SCHEDULE 'E' - FIXED ASSETS (CONSOLIDATED)

(Rs. in Lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK			
	As on 01.04.2009	Addition	Deletion	As on 31.03.2010	Up to 31.03.2009	For the Year	Deletion	Trf./Adjus ments	Up to 31.03.2010	As on 31.03.2010	As on 31.03.2009
LEASE HOLD LAND*	86.11	-	-	86.11	23.15	0.90	-	-	24.05	62.06	62.96
FREE HOLD LAND**	29.70	-	9.41	20.29	-	-	-	-	-	20.29	29.70
LAND DEVELOPMENT	14.93	-	-	14.93	3.15	0.17	-	-	3.32	11.61	11.78
BUILDING	974.97	4.92	-	979.89	484.52	28.72	-	-	513.24	466.65	490.45
PLANT & MACHINERY	10,357.20	191.17	-	10,548.37	7,310.94	375.77	-	-	7,686.71	2,861.66	3,046.26
ELECTRICAL INSTALLATION	2,756.20	3.80	2.10	2,757.90	1,980.36	90.40	0.02	-	2,070.74	687.16	775.84
OFFICE EQUIPMENT	216.00	1.88	-	217.88	129.77	14.96	-	-	144.73	73.15	86.23
FURNITURE & FIXTURES	162.16	2.45	-	164.61	48.88	7.92	-	-	56.80	107.81	113.28
VEHICLES	56.59	13.53	4.28	65.84	31.97	3.54	4.21	-	31.30	34.54	24.62
TOTAL	14,653.86	217.75	15.79	14,855.82	10,012.74	522.38	4.23	-	10,530.89	4,324.93	4,641.12
CAPITAL WORK IN PROGRESS	998.35	22.36	226.62	794.19	-	-	-	-	-	794.10	998.35
GRAND TOTAL	15,652.21	240.11	242.41	15,649.92	10,012.74	522.38	4.23	-	10,530.89	5,119.03	5,639.47
PREVIOUS YEAR FIGURES	15,259.90	1,934.53	1,542.22	15,652.21	9,537.72	594.69	119.67	-	10,012.74	5,639.47	5,722.18

* Leasehold Land at Alwar costing Rs. 17.32 lacs was revalued to Rs. 84.74 lacs as on 30.04.1984

** The Ownership of the Freehold Land purchased at Alwar costing Rs. 18.00 lacs is disputed in various courts of Law and is being contested by the company. Consequently, the title deeds are pending execution in favour of the Company.

SCHEDULE - "F" - INVESTMENT

PARTICULARS	FACE VALUE		
	AS AT 31.03.2010 (Rs. In Lac)	AS AT 31.03.2010 (Rs. In Lac)	AS AT 31.03.2009 (Rs. In Lac)
OTHER THAN TRADE (AT COST)			
1. Silver Coins & Wares		0.32	0.32
2. Quoted Investment in Shares & Trust & Securities			
a) Govt. & Trust Securities			
554 Units 6.75% Tax free US 64 Bonds of Rs. 100/- each in Unit Trust in India	0.55	0.32	0.75
b)Others			
1000 Fully paid up Equity Shares of Rs.2/- each in DCM Shriram Consolidated Ltd.	0.02	0.32	0.32
100 Fully paid up Equity Shares of Rs.10/- each in Grasim Industries Ltd.	0.01	0.80	0.80
300 Fully paid up Equity Share of Rs.2/- each in Ballarpur Industries Ltd.	0.01	0.22	0.22
100 Fully paid up Equity Shares of Rs.10/- each in SPIC Ltd.	0.01	0.11	0.11
165 Fully paid up Equity Shares of Rs.10/- each in Gujrat Alkalies & Chemicals Ltd.	0.02	0.31	0.31
300 Fully paid up Equity Shares of Rs.5/- each in Kanoria Chemicals & Industries Ltd.	0.02	0.14	0.14
100 Fully paid up Equity Shares of Rs.10/- each in Punjab Alkalies & Chemicals Ltd.	0.01	0.10	0.10
500 Fully paid up Equity Shares of Rs. 2/- each in DCW Ltd.	0.01	0.13	0.13
		2.45	2.88
GRAND TOTAL		2.77	3.20

Note: Market Value of Quated Shares and Trust Securities as on 31.03.2010 is Rs.4.41 Lac (Previous Year Rs. 3.10 Lac)

SCHEDULE - "G" - CURRENT ASSETS, LOANS & ADVANCES

PARTICULARS	AS AT 31.03.2010 (Rs. In Lac)	AS AT 31.03.2009 (Rs. In Lac)
CURRENT ASSETS:		
INVENTORIES: (As valued and certified by the management)		
Stores, Spares etc.	550.96	581.19
Less: Provision for Old Store	(202.83)	(202.83)
Stores, Spares etc.(Net)	348.13	378.36
Raw Materials, Chemicals & Catalysts	175.64	175.12
Fuel Oil Stocks of Power Plant	27.35	44.21
Scrap Material in Hand *	44.85	56.77
Packing Materials	14.30	13.63
Stock-in-Process	36.75	44.93
Finished Stock	75.74	104.91
	722.76	817.93
SUNDRY DEBTORS:		
(Unsecured, considered good unless otherwise stated)		
Due for more than six months:		
-Considered Good	275.68	252.96
-Considered Doubtful	300.57	300.57
	576.25	553.53
Less: Provision for Doubtful Debts	(300.57)	(300.57)
	275.68	252.96
Others	340.57	369.96
	616.25	622.92
CASH & BANK BALANCES:		
Cash in Hand	19.80	4.00
Cheques in Hand	-	0.16
Balance with Scheduled Banks in:		
-Current Accounts	2.60	45.21
-in Fixed Deposit	2.18	3.06
	24.58	52.43
LOANS & ADVANCES		
(Unsecured, considered good unless otherwise stated)		
for value to be received		
-Considered Good	1489.20	589.67
-Considered Doubtful	69.71	69.71
	1558.91	659.38
Less: Provision for Doubtful Advances	(69.71)	(69.71)
	1489.20	589.67
Security Deposit with Government	258.01	250.97
Authorities & Others		
Deposit with Central Excise Department	75.00	63.00
Excise Amount Recoverable	19.60	13.39
Electricity Duty Under Protest	2.79	2.79
Entry Tax Deposited Under Protest	1.49	4.15
Income-tax Deducted at source/ MAT Credit	118.89	120.94
Advance Fringe Benefit Tax	-	8.57
Advance Wealth Tax	0.08	0.08
Loans to Employees and Others	1.35	0.60
	1966.41	1054.16

SCHEDULE - "H" - CURRENT LIABILITIES & PROVISIONS

PARTICULARS	AS AT 31.03.2010 (Rs. In Lac)	AS AT 31.03.2009 (Rs. In Lac)
CURRENT LIABILITIES:		
Sundry Creditors	433.23	440.62
Advances from Customers & Agents	107.84	94.33
Security Deposit from Dealers, Agents & Others	41.43	65.08
Other Liabilities	1619.03	1245.98
Investor Education & Protection Fund (U/s. 205C)	11.64	11.64
	2213.17	1857.65
PROVISIONS :		
Leave Pay, Gratuity & Leave Encashment	210.58	225.05
Income Tax (MAT U/s 115JB / LTCG)	138.76	85.08
Fringe Benefit Tax	-	9.34
Wealth Tax	6.58	6.58
	355.92	326.05

SCHEDULE - "I" - OTHER INCOME

PARTICULARS	2009-2010 (Rs. In Lac)	2008-2009 (Rs. In Lac)
Interest	6.14	8.88
Foreign Exchange Fluctuations	-	5.89
Miscellaneous Receipts/Income	367.31	84.13
Profit on Fixed Assets Sold/W/off	620.97	24.12
Dividend	-	0.07
	994.42	123.09

SCHEDULE - "J" - INCREASE/(DECREASE) IN STOCK

PARTICULARS	2009-2010 (Rs. In Lac)	2008-2009 (Rs. In Lac)
CLOSING STOCK:		
- Finished Goods	75.74	104.92
- Work-in-Process	36.75	44.93
- Scrap in Hand	44.85	-
	157.34	149.85
OPENING STOCK		
- Finished Goods	104.91	59.18
- Work-in-Process	44.93	28.60
- Scrap in Hand	56.77	-
	206.61	87.78
Increase/(Decrease) in Stock	(49.27)	62.07

SCHEDULE - "K" - DIRECT MANUFACTURING EXPENSES

PARTICULARS	2009-2010 (Rs. In Lac)	2008-2009 (Rs. In Lac)
Raw Materials, Chemicals & Catalysts Consumed	1636.37	1955.57
Purchase CSL Trading	29.92	-
Power & Fuel	7297.60	6339.63
Stores & Spares Consumed	318.67	377.62
Packing Expenses(Including Material Consumed)	81.38	103.92
Other Manufacturing Process, Material	41.63	30.51
Shifting and Sludge Disposal Charges		
	9405.57	8807.25

SCHEDULE - "L"- PAYMENT TO AND PROVISION FOR EMPLOYEES

PARTICULARS	2009-2010 (Rs. In Lac)	2008-2009 (Rs. In Lac)
Salaries, Wages, Allowances & Other Benefits	722.34	759.85
Contribution to Provident Fund, E.S.I. & Others Funds	29.33	31.63
Employees Welfare Expenses	35.99	27.05
	787.66	818.53

SCHEDULE - "M"- SELLING AND ADMINISTRATIVE EXPENSES

PARTICULARS	2009-2010 (Rs. In Lac)	2008-2009 (Rs. In Lac)
Lease Rent for Equipments	105.60	105.60
Lease Rent for Motor Car	10.50	8.94
Rent	44.17	40.20
Rate & Taxes	23.13	22.44
Insurance	10.22	14.10
Repairs & Maintenance:		
-Plant & Machinery	123.11	102.99
-Building	9.61	11.37
-Others	5.37	5.45
Travelling, Conveyance & Vehicle Expenses	90.35	101.24
Communication Expenses	18.80	33.32
Legal, Professional & Consultancy Charges	146.98	116.57
Printing & Stationery	9.63	12.13
Publicity & Advertisement Expenses	4.51	3.41
Bank Charges	2.49	1.38
Auditors' Remuneration:		
- Audit Fee	2.65	2.40
- Taxation Fee	0.60	0.60
- Expenses Reimbursed/Incurred	0.95	0.81
Commission on Sale	14.96	2.23
Freight & Forwarding Expenses (Net of Recoveries)	48.43	45.52
Miscellaneous Expenses	34.63	11.33
Foreign Exchange Fluctuaion	2.67	-
Research & Development Expenses	6.01	5.05
General Charges	19.10	19.51
Water & Electricity Expenses	10.46	9.96
Business Promotion Expenses	18.55	22.24
	763.48	698.79

SCHEDULE - "N" - FINANCIAL EXPENSES

PARTICULARS	2009-2010 (Rs. In Lac)	2008-2009 (Rs. In Lac)
On Fixed Term Loans	-	-
To Bank	-	-
To Others	14.27	0.89
	14.27	0.89

SCHEDULE - "O" - ADJUSTMENT FOR PRIOR PERIOD/EXCEPTIONAL ITEMS

PARTICULARS	2009-2010 (Rs. In Lac)	2008-2009 (Rs. In Lac)
PRIOR PERIOD INCOME		
Freight	-	0.01
Fees & Legal	0.93	-
Total	0.93	0.01
PRIOR PERIOD EXPENSES		
Salary & Other Allowances	-	42.55
Legal, Professional & Consultancy Charges	-	1.64
Others	11.11	40.73
Total	11.11	84.92
Net Prior Period Income /(Expenses)	(10.18)	(84.91)

LORDS CHLORO ALKALI LIMITED**SCHEDULE – “P”: SIGNIFICANT ACCOUNTING POLICIES & PRACTICES AND NOTES TO ACCOUNTS****A. Significant Accounting Policies & Practices:**

1. General:

- (i) The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting & comply with the Companies (Accounting Standards) Rules 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards (NACAS) and relevant provisions of the Companies Act, 1956.
- (ii) The financial statements are prepared in accordance with accounting principles generally accepted (GAAP) in India. The accounting treatment and presentation in financial statements have been governed by their substance over form.

2. Revenue Recognition:

- (i) Revenue from sale of manufactured goods is recognised on dispatch to customers.
- (ii) Revenue from consignment sales is recognised after the subsequent sale by consignment agents to customers.
- (iii) Sales are inclusive of Excise Duty but net of rebate & discounts.
- (iv) Interest Receivable on Inter-Corporate Deposits, due to uncertainty of realization, is consistently accounted for on cash basis.

3. Fixed Assets and Depreciation:

- (i) Fixed assets (other than those which have been revalued) are stated at cost, net of CENVAT less accumulated depreciation except Leasehold Land which is being stated at revalued cost.
- (ii) Depreciation is provided on Straight Line Method at the rates prescribed in Schedule XIV to the Companies Act, 1956.
- (iii) Depreciation on additions / deletions to fixed assets is provided on prorata basis from the date of addition / till the date of deletion.
- (iv) Leasehold Land – Acquisition cost of leasehold land is amortised over the period of lease including the revalued portion.
- (v) The cost of Fixed Assets taken on Financial Lease is capitalized and amortised by way of depreciation.
- (vi) Depreciation on the addition due to revaluation of Fixed Assets is amortised against the revaluation reserve.
- (vii) Assets under installation / construction as at the balance sheet date are shown as Capital work-in-progress and are valued at cost. However advances paid towards acquisition of assets are not included under Capital work-in-progress.

4. Foreign Currency Transactions:

- (i) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end rates.
- (ii) Any income or expense on account of exchange difference, either on settlement or on translation at balance sheet date, is recognized in the profit and loss as per the revised AS-11.

5. Inventory Valuation:

- (i) Inventory of Stores & Spares, Raw Materials, Chemicals & Catalyst and Fuel Oil is valued at cost or net realizable value, whichever is lower.
- (ii) Finished goods & Stock-in-process are valued at cost or net realisable value whichever is lower.
- (iii) The cost of bought out inventory is computed on the basis of weighted average method.
- (iv) Scrap/Waste is valued at net realizable value.

6. Employees Retirement Benefits:

The Company's contribution to Provident Fund is charged to the Profit & Loss Account. Gratuity and Leave Encashment are accounted for on the basis of actuarial valuation in accordance with AS-15(Revised) issued by NACAS.

7. Investments:

Long Term Investments are stated at cost unless there is a permanent fall in value thereof.

8. Taxation:

- (i) CENVAT credit is accounted for by reducing the purchase cost of related materials / services.
- (ii) In concurrence with the opinion of the ICAI, the Minimum Alternative Tax is considered as current tax for the year in which it arises and is charged to profit & loss account accordingly. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said assets is created by way of a credit to the profit and loss account and shown as 'MAT credit entitlement' under Loans & Advances.
- (iii) Deferred tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future.

9. Earnings per Share:

Basic EPS is computed using the weighted average number of equity shares outstanding during the year in accordance with AS-20.

B. Notes to Accounts:

1. Contingent Liabilities:

(a) Claims against the Company not acknowledged as debt:

- (i) In respect of Excise Duty disputes pending with various Judicial Authorities Rs. 709.34 Lac including interest and penalty of Rs. 239.46 Lac (previous year Rs. 708.98 Lac including interest and penalty of Rs. 239.46 Lac).

- (ii) In respect of Electricity Duty disputes pending with Judicial Authorities Rs. 20.03 Lac (previous year Rs.44.57 Lac).
 - (iii) In respect of Entry Tax disputes pending with Judicial Authorities Rs. 69.27 Lac (previous year Rs. 78.36 Lac).
 - (iv) In respect of Income Tax disputes pending with various Judicial Authorities Rs. 317.87 Lac (previous year Rs. 846.95 Lac).
 - (v) In respect of previous years dispute relating to import, pending with Judicial Authorities Rs. 35.00 Lac (previous year Rs.150.00 Lac).
 - (vi) In respect of demand from DGFT, relating to default of export obligations related to advance licence Rs. 693.96 Lac (previous year Rs. 102.91 Lacs), contested by the Company.
 - (vii) Disputed demand for late payment surcharge on electricity dues amount Rs. 515.28 Lac (previous year Rs. 257.29 Lac) contested by the Company.
 - (viii) Disputed demand from Provident Fund Department pending with Judicial Authorities Rs. 201.64 Lac (previous year Rs. 209.64 Lac).
 - (ix) Disputed demand for excess incentive allowed in electricity bill by JVVNL Rs.55.94 Lac (previous year Rs. 55.39 lac) contested by the Company.
 - (x) Disputed demand for uninterpereted power cut by JVVNL Rs.11.72 Lac (previous year Rs. Nil lac).
- (b) Estimated amount of contracts remaining to be executed on capital account Rs. 26.39 Lac (net of advances) (previous year Rs. 31.13 Lac).

2. Managerial Remuneration:

(Remuneration of Directors)

Particulars	2009-2010 (Rs.in Lac)	2008-2009 (Rs.in Lac)
Salaries & Allowances	108.84	111.84
Contribution to Provident Fund	5.40	5.40
Sitting Fee	0.40	0.70
Perquisites	2.92	3.58
Total	117.56	121.52

- 3. Other Liabilities include an amount of Rs. 15.00 Lac received from M/s Cirrus Chemicals Private Ltd. towards part consideration of Rs. 150.00 Lac for sale of Land.
- 4. Balances of sundry debtors, loans and advances and current liabilities including sundry creditors are subject to confirmation and adjustments necessary upon reconciliation thereof.
- 5. Other Current Assets includes an amount of Rs.176.53 Lac receivable from JVVNL on account of High Power Consumption Incentive, out of which Rs. 120.00 Lac is confirmed by them and the balance amount of Rs. 56.53 Lac has been account for on due basis, for which confirmation is awaited.
- 6. Unclaimed amount in respect of debentures and excess share application money refundable (amount outstanding is Rs. 11.64 Lac) is required to be transferred to the "Investor Education and Protection Fund" in terms of Section 205C of the Companies Act, 1956. The Company is taking steps to reconcile the above accounts and deposit the amount with the appropriate authorities.

7. During the year, the company has entered into an Agreement to Sell dated 25.03.2010 of its land at Modigarh, Village Galota, Tehsil Ramgarh, District Alwar, Rajasthan having area of 33 Bigha 19 Biswa to M/s Annalakshmi Trading Private Limited for a total consideration of Rs. 625 lac and possession has been handed over to the vendee in terms of Section 53A of Transfer of Property Act, 1882. As per the terms of agreement, the total consideration has to be paid by M/s Annalakshmi Trading Private Limited by 30th September 2010. The company has received Rs. 25 lac by March 2010. Subsequently, substantial payment has been received by the company. On the basis of Agreement to Sell and in view of the subsequent receipt of amounts and handing over the physical possession of the land to the vendee, the company has recorded the sale transaction as on 31st March 2010, in terms of section 53A of the Transfer of Property Act, 1882.
8. The company has started trading activities during the year 2009-10. In some of the Transactions, vender failed to deliver the goods as agreed. However, company was able to enforce the damages of Rs. 325 lac on them and has recorded the same in the books of accounts as other income on 31st March, 2010.
9. Particulars in respect of small scale industries have been furnished to the extent such parties have been identified on the basis of information available with the company. The small scale industries to whom the company owes any sum, which is outstanding as on 31st March 2010 for more than 30 days, are:

Sl. No	Party Name	Rs. in Lac
1	Moti Lime Pvt. Ltd.	5.97
2	Tara Minerals & Chemicals (P) Ltd.	3.04
3	Shree Salt Udyog	16.33
4	Simran Flow Tech Industries	0.24
5	Anticorrosive Equipment	0.17
6	Yash Enterprises	0.16
	Total	25.91

10. Segment Results:

Business Segment	Manufacturing	Trading	Total
Segment Revenue			
External Sale (Net of Excise)	10,505.52	349.83*	10855.35
Segment Result			
Profit before Interest & Tax	(332.97)	319.91	(13.06)
Less: Interest			14.27
Profit before Tax			(27.33)
Less: Current Year Tax			(138.76)
Add: Deferred Tax Assets			155.39
Net Profit			(10.70)
Other Information			
Segment Assets	8,126.80	325.00	8,451.80
Segment Liabilities	2,569.09		2,569.09
Segment Capital Employed	5,557.71	325.00	5,882.71
Total Capital Expenditure	240.11		240.11
Total Depreciation	521.67		521.67

* Includes Rs. 325 lacs recoverable as damages from a vendor.

11. In terms of AS-18 on “Related Party Disclosures” issued by the Institute of Chartered Accountants of India, information required to be disclosed in respect of related parties is given below:

(A) Name of related party and nature of related party’s relationship where control exists:-

(i) Party having substantial interest in voting power and the power to direct, by statute or agreement, the financial and/or operating policies of the company.

a) Shri Alok Dhir & Shri Ashok Kumar

(B) Name of related party and nature of related party’s relationship having transaction with the company:-

(i) Key Managerial Personnel Relative of Key management Personnel

a) Shri Ashok Kumar Smt. Suman Kumar
(Managing Director)

b) Shri Jeevesh Kumar
(Whole time Director)

c) Shri Dhananjay Gautam
(Whole time Director)

d) Shri Jagtar Singh
(Whole time Director)

(ii) Party having significant influence:

a) Shri Rakesh Ahuja

(iii) Associate Entities over which key management personnel and person having substantial interest in voting power are able to exercise significant influence.

a) Cirrus Chemicals Pvt. Ltd.

b) Dhir & Dhir Associates

c) Shiva Consultants Pvt. Ltd.

d) Opus Reality Development Ltd.

(C) Transactions with related parties (consolidated) for the financial year 2009-10.

(Amount in Lac)

Nature of Transaction	Key Management Personnel/Person having Significant Influence	Relative of Key Management Personnel	Associate Entities	Outstanding As at 31/03/2010 Dr./(Cr.)
Interest Paid	0.26	-	0.29	-
Sale of Goods	-	-	50.98	3.14
Receiving of Services	-	-	74.14	(15.25)
Loan Received	40.00	-	50.00	(692.39)
Repayment of Loan Received	27.00	-	47.00	-
Remuneration	117.16	6.05	-	-
Lease Rent Paid	-	-	105.60	-

12. Future obligations towards lease rentals under the lease agreements as on 31st March, 2010 amount to Rs. 357.89 Lac (previous year Rs. 494.93 Lac)

Particulars	2010-2011 (Rs.in Lac)	2009-2010 (Rs.in Lac)
Within one Year	141.51	146.40
Later than one year and not later than five year	216.38	348.53
Later than five year	-	-
Total	357.89	494.93

13. Earnings per share (in terms of Accounting Standard AS-20 issued by the Institute of Chartered Accountants of India).

Particulars	2009-2010 (Rs.in Lac)	2008-2009 (Rs.in Lac)
Profit/(Loss) after taxation as per Profit & Loss Account Including Exceptional Items	(10.70)	397.42
Profit/(Loss) after taxation as per Profit & Loss Account Excluding Exceptional Items	(10.70)	397.42
Weighted Average No. of Equity Shares outstanding	25153861	25153861
Basic & Diluted Earnings Per Share Including Exceptional Items in Rs. (Face value – Rs.10/- per share)	(0.04)	1.58
Basic & Diluted Earnings Per Share Excluding Exceptional Items in Rs. (Face value – Rs.10/- per share)	(0.04)	1.58

14. The deferred Tax Assets/ (Liability) comprise of the following:

Particulars	2009-2010 (Rs.in Lac)	2008-2009 (Rs.in Lac)
Deferred Tax Assets		
Carried forward Depreciation	256.94	174.92
Carried forward Business Losses	38.08	-
Disallowance under the Income Tax Act, 1961	205.67	228.26
Total	500.69	403.18
Deferred Tax Liability		
Related to Fixed Assets	757.97	815.85
Total	757.97	815.85
Deferred Tax Assets (Net)	(257.28)	(412.67)

15. As per the provision and definition given in AS-28, since the recoverable amount of the assets are more than the carrying amount of the assets, no impairment loss needs to be provided.

16. Audited Financial Results vary with Unaudited Financial Results for the year ended 31st March 2010.

(Rs. in Lac)

Particulars	Audited Results	Unaudited Results	Variation	Remark
Other Operating Income	325.00	-	325.00	As per point No. 8 of Notes to Accounts
Other Income	669.43	51.08	618.35	As per point No. 7 of Notes to Accounts
Exceptional Items	14.86	79.70	(64.84)	Discount reversals
Others	-	-	(24.58)	
Current Year Tax	(138.76)	-	(138.76)	
Current Year Deferred Tax Assets / (Liability)	155.39	304.35	(148.96)	

17. Additional information as far as applicable pursuant to Part II of Schedule VI to the Companies Act, 1956:

a) Particulars of Capacities and Production (in MTs):

Items of manufacture	Installed Capacity* (per annum)		Actual Production	
	Year Ended 31.03.10	Year Ended 31.03.09	Year Ended 31.03.10	Year Ended 31.03.09
1) Caustic Soda	84150	84150	51812	44840
2) Liquid Chlorine	50300	50300	47042	40416
3) Hydrochloric Acid	39600	39600	19413	22433
4) Calcium Hypo chloride (Bleach Liquor)	12600	12600	10509	13789
5) Stable Bleaching Powder	16500	16500	6319	7241
6) TCE	5000	5000	-	42
7) Hydrogen Gas	-	-	1239	952

*As certified by the management and not verified by the Auditors being technical matter.

b) Particulars of Stocks & Sales:

Items of manufacture	Stock				Sale			
	As on 31.03.2010		As on 31.03.2009		2009-2010		2008-2009	
	MT	Rs. in Lac	MT	Rs. in Lac	MT	Rs. In Lac	MT	Rs. in Lac
1) Caustic Soda	350	57.38	498	96.91	50579# 1614*	9317.07#	43489 1112*	10884.20
2) Liquid Chlorine	84	3.34	248	0.54	37037 10169*	1390.37	29268 10914*	1109.16
3) Hydrochloric Acid	247	6.40	151	0.30	7410 11907*	88.54	13992 8491*	178.92
4) Calcium Hypo-chloride (Bleach Liquor)	-	-	-	-	10509	21.49	13789	48.20
5) Stable Bleaching Powder	68	6.38	18	1.25	6269	557.45	7241	643.87
6) Hydrogen Gas	-	-	-	-	58 1181*	48.99	74 878*	65.39
7) TCE	3	2.24	10	5.91	7	4.69	66	41.11
Total		75.74		104.91		11428.60		12970.85

*Reflects internal consumption/adjustment

Value includes traded goods 233 MT of Rs. 24.83 Lac during the year.

c) Particulars of Raw Materials and Chemicals consumed (including adjustment of excess and shortage ascertained on physical verification):

Particulars	2009-2010		2008-2009	
	Quantity (MTs)	Amount (Rs. in Lac)	Quantity (MTs)	Amount (Rs. in Lac)
Salt	88820	997.36	79411	1239.43
Hydrated Lime	8929	306.20	8627	301.80
Barium Carbonate	954	190.17	829	218.37
Sulphuric Acid	1087	30.23	879	65.99
Sodium Sulphite	335	50.22	219	51.66
Calcium Carbide	-	-	45	17.91
Others	-	62.19	-	60.41
Total		1636.37		1955.57

d) Analysis regarding imported and indigenous materials consumed:

Particulars	Imported		Indigenous		Total Value
	Value	%	Value	%	Rs. in Lac
Raw Materials and Chemicals	0.00 (3.23)	0.00 (0.17)	1636.37 (1952.34)	100.00 (99.83)	1636.37 (1955.57)
Stores & Spares	22.30 (169.45)	7.00 (44.88)	296.41 (208.17)	93.00 (55.12)	318.71 (377.62)
Packing Materials	NIL (NIL)	NIL (NIL)	64.35 (87.67)	100 (100)	64.35 (87.67)

Note: Figures in brackets are for previous year.

e) C.I.F. value of imports:

Particulars	2009-2010 (Rs. in Lac)	2008-2009 (Rs. in Lac)
Stores & Spares	18.67	164.12
Raw Materials	0.73	7.77
Total	19.40	171.89

f) Expenditure in Foreign Currency

Particulars	2009-2010 (Rs. in Lac)	2008-2009 (Rs. in Lac)
Traveling	3.40	5.60

g) Earning in Foreign Currency on FOB value of Exports:

Particulars	2009-2010 (Rs. in Lac)	2008-2009 (Rs. in Lac)
i) Earnings in Foreign Currency	-	37.10
Total	-	37.10

18. Balance Sheet Abstract and Company's General Business Profile as required under Part IV of Schedule VI to the Companies Act, 1956:

i)	Registration details	
	Registration No.	2099
	State Code	17
	Balance Sheet Date	31.03.2010
ii)	Capital raised during the year	(Amt. In Rs. Thousands)
	Public Issue	-
	Rights Issue	-
	Bonus Issue	-
	Private Placement	-
	Calls in Arrears	-
iii)	Position of mobilization and deployment of funds	(Amt. In Rs. Thousands)
	Total Liabilities	588271
	Total Assets	588271
	Sources of Funds	
	Paid-up Capital	251539
	Reserves & Surplus	233557
	Secured Loans	3148
	Unsecured Loans	74299
	Deferred Tax Liability(Net)	25728
	Application of Funds	
	Net Fixed Assets	511903
	Investments	277
	Net Current Assets	76091
	Accumulated Losses	
iv)	Performance of the Company	(Amt. In Rs. Thousands)
	Turnover	1053035

	Total Expenditure	1055768
	Profit/(Loss) before Tax	(2733)
	Profit/(Loss) after Tax	(1070)
	Earning per Share (in Rs.)	(0.04)
	Dividend Rate (%)	
v)	Generic Names of three principal products of the Company	
	Item Code No.	281511 00
	Product Description	Caustic Soda
	Item Code No.	280610 00
	Product Description	Hydro Chloric Acid
	Item Code No.	290322 00
	Product Description	Tri Chloro Ethylene

19. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Signatures to Schedules 'A' to 'P'

As per our Report of even date attached.

For ALAG KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Regn. No. - FRN 01500GN)

GURBIR SINGH ALAG
PARTNER
Membership No. 84075

LAXMI PAUL DHIR
CHAIRMAN

ASHOK KUMAR
MANAGING DIRECTOR

AJAY VIRMANI
EXECUTIVE DIRECTOR & C.E.O.

P. K. GOYAL
CHIEF FINANCIAL OFFICER

Place : New Delhi
Date : 3rd September 2010

PRAVESH SRIVASTAVA
COMPANY SECRETARY

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	2009-10 (Rs. In Lac)	2008-09 (Rs. In Lac)
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before Tax and Exceptional Items	(17.15)	778.25
Adjustments for: -		
Depreciation	521.67	593.98
Interest	14.27	0.89
Interest & Dividend Income	-	(0.07)
Profit on sale of Investment	(0.30)	-
Profit on Sale of Fixed Assets	(620.97)	(24.12)
Prov. for Old Stock reversed	-	570.68
Operating Profit before Working Capital Changes	(102.48)	1,348.93
Adjustments for :-		
Decrease/(Increase) in Trade and Other Receivables	(904.28)	47.84
Decrease/(Increase) in Inventories	95.17	(207.10)
(Decrease)/Increase in Trade and Other Payables	246.64	(94.69)
Cash Generated from Operations	(664.95)	1,094.98
Interest Provided	(14.27)	(0.89)
Advance FBT	-	(8.57)
Advance Tax	(1.30)	-
Cash Flow from Operating Activities	(680.52)	1,085.52
Prior Period Items	(10.18)	(84.91)
Net Cash Flow From Operating Activities	(690.70)	1,000.61
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(38.80)	(520.93)
Sale/Transfer of Fixed Assets	657.84	33.07
Sale of Investments	0.71	0.08

Interest and Dividend received	-	0.07
Net Cash used in Investing Activities	619.75	(487.71)
C. Cash Flow from Financing Activities		
Proceeds from long term borrowings	43.10	(503.99)
Repayment of long term borrowings	-	-
Proceeds from Equity	-	-
Proceeds from Share Premium	-	-
Net Cash used in Financing Activities	43.10	(503.99)
Net Increase/(Decrease) in Cash and Cash equivalents	(27.85)	8.91
Cash & Cash Equivalents(Opening Balance)	52.43	43.52
Cash & Cash Equivalents(Closing Balance)	24.58	52.43

Note: Figures of previous year have been recast/regrouped wherever necessary

As per our report of even date attached

For ALAG KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
 (Firm Regn. No. - FRN 01500GN)

GURBIR SINGH ALAG
PARTNER
 Membership No. 84075

LAXMI PAUL DHIR
CHAIRMAN

ASHOK KUMAR
MANAGING DIRECTOR

AJAY VIRMANI
EXECUTIVE DIRECTOR & C.E.O.

P. K. GOYAL
CHIEF FINANCIAL OFFICER

Place : New Delhi
Date : 3rd September 2010

PRAVESH SRIVASTAVA
COMPANY SECRETARY

NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of the Members of **LORDS CHLORO ALKALI LIMITED** will be held on Tuesday, 22nd day, June, 2010 at 10.30 a.m. at Regd. Off. at SP-460, Matsya Industrial Area, Alwar (Rajasthan) to transact the following business :

ORDINARY BUSINESS:

1. The Audited Balance Sheet and Profit & loss for the year ended as 31st March 2010 is not yet ready for consideration and adoption by the shareholders. It is proposed to adjourn the Annual General Meeting to a date not later than 30th September 2010 for consideration and adoption of the same.
2. To appoint a director in place of Shri Rakesh Ahuja, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Shri Sandeep Chaudhari as a director in place of Shri Ravi Kathpalia, who retires by rotation.
4. To appoint Auditors and consider in this connection, to pass with or without modification(s) the following resolution proposed as an Ordinary Resolution: -

“**RESOLVED THAT** M/s. Alag Kumar & Associates, Chartered Accountants, New Delhi, the retiring Auditors, who have offered their services and who are qualified to act as Auditors of the Company under section 224(1B) of the Companies Act, 1956, be and are hereby re-appointed Auditors of the Company to hold office until the conclusion of next Annual General Meeting and the Board of Directors of the Company be and is hereby authorized to fix their remuneration.”

SPECIAL BUSINESS:

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

“**RESOLVED THAT** Shri Ashok Kumar, who was appointed as an Additional Director of the Company w. e. f. 01.04.2010 and whose term of office expires at ensuing Annual General Meeting be and is hereby appointed as Director of the Company.”

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

“**RESOLVED THAT** Shri Laxmi Paul Dhir who was appointed as an Additional Director of the Company w. e. f. 14.05.2010 and whose term of office expires at ensuing Annual General Meeting be and is hereby appointed as Director of the Company.”

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

“**RESOLVED THAT** Shri K. L. Batra who was appointed as an Additional Director of the Company w. e. f. 14.05.2010 and whose term of office expires at ensuing Annual General Meeting be and is hereby appointed as Director of the Company.”

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

“RESOLVED THAT Shri S.M. Sharma who was appointed as an Additional Director of the Company w. e. f. 14.05.2010 and whose terms of office expires at ensuing Annual General Meeting be and is hereby appointed as Director of the Company.”

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

“RESOLVED THAT Shri Ajay Virmani, who was appointed as an Additional Director of the Company w. e. f. 14.05.2010 and whose term of office expires at ensuing Annual General Meeting be and is hereby appointed as Director of the Company.”

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

“RESOLVED THAT Shri Dhananjay Gautam, who was appointed as an Additional Director of the Company w. e. f. 30.04.2010 and whose term of office expires at ensuing Annual General Meeting be and is hereby appointed as Director of the Company.”

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

“RESOLVED THAT Shri Yuvraj Ahuja who was appointed as an Additional Director of the Company w. e. f. 14.05.2010 and whose term of office expires at ensuing Annual General Meeting be and is hereby appointed as Director of the Company.”

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

“RESOLVED THAT Shri Laxmi Paul Dhir, Director of the Company, be and is hereby appointed as Chairman of the Company.”

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

“RESOLVED THAT subject to the provisions of Section 198, 269, 309 & 310 read with Schedule-XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force) and subject to the approval from Central Government (if required), consent of Shareholders of the Company be and are hereby accorded for reappointment of Shri Ashok Kumar as Managing Director of the Company for a period of 3 years w.e.f. 1st April, 2010 with a payment of remuneration of Rs. 60.00 Lacs per annum (Rs. 5.00 lacs per month) (CTC) besides 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, the company may pay to Shri Ashok Kumar, Managing Director of the Company remuneration by way of salary besides perquisites and allowances as approved by the Board of Directors, not exceeding the ceiling limit of Rs. 60.00 lacs per annum (Rs. 5.00 lacs per month) or not exceeding the limit approved by the Central Government or limits specified under Section II of Part II of Schedule-XIII of the Companies Act, 1956 including

any statutory modification or re-enactment thereof, for the time being in force.

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.

RESOLVED FURTHER THAT Shri Laxmi Paul Dhir, Chairman of the Company, be and is hereby authorized to file/upload requisite Application e-Form 25A/25C etc. with the Ministry of Corporate Affairs (on MCA Portal) for obtaining approval from Central Government (if required) for reappointment and remuneration payable to Shri Ashok Kumar as Managing Director of the Company.”

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

“**RESOLVED THAT** subject to the provisions of Section 198, 269, 309 & 310 read with Schedule-XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force) and subject to the approval from Central Government (if required), consent of Shareholders of the Company be and are hereby accorded for appointment of Shri Ajay Virmani as an Executive Director & CEO for a period of 3 years w.e.f. 14th May, 2010 with a payment of remuneration of Rs. 36.00 lacs per annum (Rs. 3.00 lacs per month) (CTC) besides 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, the company may pay to Shri Ajay Virmani, Executive Director & CEO, of the Company remuneration by way of salary, besides perquisites and allowances as approved by the Board of Directors, not exceeding the ceiling limit of Rs. 36.00 lacs per annum (Rs. 3.00 lacs per month) or not exceeding the limit approved by the Central Government or limits specified under Section II of Part II of Schedule-XIII of the Companies Act, 1956 including any statutory modification or re-enactment thereof, for the time being in force.

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.

RESOLVED FURTHER THAT Shri Laxmi Paul Dhir, Chairman and Shri Ashok Kumar, Managing Director of the Company be and are hereby authorized to file/upload requisite Application e-Form 25A/25C etc. with the Ministry of Corporate Affairs (on MCA Portal) for obtaining approval from Central Government (if required) for appointment and remuneration payable to Shri Ajay Virmani as Executive Director & CEO of the Company.”

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

“**RESOLVED THAT** subject to the provisions of Section 198, 269, 309 & 310 read with Schedule-XIII and other applicable provisions, if any, of the Companies Act, 1956 (including

any statutory modifications or re-enactment thereof, for the time being in force) and subject to the approval from Central Government (if required), consent of Shareholders of the Company be and are hereby accorded for reappointment of Shri Dhananjay Gautam as Director (Business Coordination) for a period of 3 years w.e.f. 30th April, 2010 with a payment of remuneration of Rs. 12.00 lacs per annum (Rs. 1.00 lac per month) (CTC) inclusive of all perquisites and allowances.

RESOLVED FURTHER THAT in the event of company having no profit or inadequacy of profit in any financial year, the company may pay to Shri Dhananjay Gautam, Director (Business Coordination), remuneration by way of salary inclusive of all perquisites and allowances not exceeding the ceiling limit of Rs. 12.00 lacs per annum or Rs. 1.00 lac per month subject to the limits specified under Section II of Part II of Schedule-XIII of the Companies Act, 1956 including any statutory modification or re-enactment thereof, for the time being in force.

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.

RESOLVED FURTHER THAT Shri Laxmi Paul Dhir, Chairman and Shri Ashok Kumar, Managing Director of the Company be and are hereby authorized to file/upload requisite Application e-Form 25A/25C etc. with the Ministry of Corporate Affairs (on MCA Portal) for obtaining approval from Central Government (if required) for reappointment and remuneration payable to Shri Dhananjay Gautam as Director (Business Coordination) of the Company.”

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

“**RESOLVED THAT** subject to the provisions of Section 198, 269, 309 & 310 read with Schedule-XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force) and subject to the approval from Central Government (if required), consent of Shareholders of the Company be and are hereby accorded for appointment of Shri Yuvraj Ahuja as an Executive Director for a period of 3 years w.e.f. 14th May, 2010 with a payment of remuneration of Rs. 24.00 lacs per annum (Rs. 2.00 lacs per month) (CTC) inclusive of all perquisites and allowances.

RESOLVED FURTHER THAT in the event of company having no profit or inadequacy of profit in any financial year, the company may pay to Shri Yuvraj Ahuja, Executive Director, remuneration by way of salary inclusive of all perquisites and allowances not exceeding the ceiling limit of Rs. 24.00 lacs per annum (Rs. 2.00 lacs per month) or limits specified under Section II of Part II of Schedule-XIII of the Companies Act, 1956 including any statutory modification or re-enactment thereof, for the time being in force.

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.

RESOLVED FURTHER THAT Shri Laxmi Paul Dhir, Chairman and Shri Ashok Kumar, Managing Director of the Company be and are hereby authorized to file/upload requisite Application e-Form 25A/25C etc. with the Ministry of Corporate Affairs (on MCA Portal) for obtaining approval from Central Government (if required) for appointment and remuneration payable to Shri Yuvraj Ahuja as an Executive Director of the Company.”

17. To consider and, if thought fit, with or without modification to pass the following resolutions proposed as **Special Resolution:**

“**RESOLVED THAT** pursuant to section 258, 259 and other applicable provisions, if any, of the Companies Act, 1956 and subject to approval of the Central government, the number of directors of the company for the time being in the office be increased from fifteen to eighteen.

RESOLVED FURTHER THAT pursuant to section-31 and all other applicable provisions, if any, of the Companies Act, 1956, existing Article No. 111 of the Article of the of the Company shall be altered by substitution of New Article No. 111:

111. “Until Otherwise determine by a General Meeting of the Company and subject to the provision of section 252 and 259 of the companies Act, 1956, the number of directors (including nominee directors, if any) shall not be less than three or more than eighteen.”

RESOLVED FURTHER THAT the board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

18. To consider and, if thought fit, with or without modification to pass the following resolutions proposed as **Special Resolution:**

“**RESOLVED THAT** a new Article numbered as 155(11A) be and is hereby inserted immediately after Article 155(11) of the Articles of Association of the Company.”

New Article Numbered 155(11A) read as follows:

“155 (11A). Subject to the provisions of Section 372A of the Act, the Directors may from time to time exercise their power: (i) to give or make any loan to any body corporate, or (ii) give any guarantee or provide security or pledge of Investment(s) in connection with a loan made by any other person to, or to any other person by, any body corporate, or (iii) acquire, by way of subscription, purchase or otherwise the securities of any other body corporate, subject to the approval of the Board of Directors in its meeting in which 75% of the total strength of the Board must present and Chairman, Managing Director of the Company shall also be present in such meeting at the time of such proposal.

For and on behalf of the Board of Directors

Place: New Delhi
Date: 14.05.2010

Sd/-
(Ashok Kumar)
Managing Director

NOTES:-

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.**
2. The Explanatory Statement, as required under section 173(2) of the Companies Act, 1956 is annexed hereto.
3. Register of Members and Share Transfer Books of the Company were remain closed from 21st June, 2010 to 22nd June, 2010 (both days inclusive).
4. Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company for admission to the meeting hall.
5. All the documents referred to in the accompanying Notice and Explanatory Statements are open for inspection at the Registered Office of the Company between 11-00 a.m. to 1-00 p.m. on all working days till the date of Annual General Meeting.

Explanatory Statement, as required under section 173(2) of the Companies Act, 1956**Item No. 5.**

Shri Ashok Kumar was appointed as an Additional Director of the Company w.e.f. 01.04.2010 and his term expires at ensuing Annual General Meeting. Company has received a notice under section 257 of the Companies Act, 1956, from a member of the Company, of his intention to propose the appointment of Shri Ashok Kumar as Director of the Company at this Annual General Meeting.

Except Shri Ashok Kumar and Shri Jeevesh Kumar, Director (Corporate Strategies), none of the other Directors are interested in the resolution.

Hence, Your Directors recommended you to pass the proposed resolution.

Item No. 6.

Shri Laxmi Paul Dhir was appointed as an Additional Director of the Company w.e.f. 14.05.2010 and his term expires at ensuing Annual General Meeting. Company has received a notice under section 257 of the Companies Act, 1956, from a member of the Company, of his intention to propose the appointment of Shri Laxmi Paul Dhir as Director of the Company at this Annual General Meeting.

Except Shri Laxmi Paul Dhir, none of the other Directors are interested in the resolution.

Hence, Your Directors recommended you to pass the proposed resolution.

Item No. 7.

Shri K. L. Batra was appointed as an Additional Director of the Company w.e.f. 14.05.2010 and his term expires at ensuing Annual General Meeting. Company has received a notice under section 257 of the Companies Act, 1956, from a member of the Company, of his intention to propose the appointment of Shri K. L. Batra as Director of the Company at this Annual General Meeting.

Except Shri K. L. Batra, none of the other Directors are interested in the resolution.

Hence, Your Directors recommended you to pass the proposed resolution.

Item No. 8.

Shri S. M. Sharma was appointed as an Additional Director of the Company w.e.f. 14.05.2010 and his term expires at ensuing Annual General Meeting. Company has received a notice under section 257 of the Companies Act, 1956, from a member of the Company, of his intention to propose the appointment of Shri S. M. Sharma as Director of the Company at this Annual General Meeting.

Except Shri S. M. Sharma, none of the other Directors are interested in the resolution.

Hence, Your Directors recommended you to pass the proposed resolution.

Item No. 9.

Shri Ajay Virmani, was appointed as an Additional Director of the Company w.e.f. 14.05.2010 and his term expires at ensuing Annual General Meeting. Company has received a notice under section 257 of the Companies Act, 1956, from a member of the Company, of his intention to propose the appointment of Shri Ajay Virmani as Director of the Company at this Annual General Meeting.

Except Shri Ajay Virmani, none of the other Directors are interested in the resolution.

Hence, Your Directors recommended you to pass the proposed resolution.

Item No. 10.

Shri Dhananjay Gautam, was appointed as an Additional Director of the Company w.e.f. 30.04.2010 and his term expires at ensuing Annual General Meeting. Company has received a notice under section 257 of the Companies Act, 1956, from a member of the Company, of his intention to propose the appointment of Shri Dhananjay Gautam as Director of the Company at this Annual General Meeting.

Except Shri Dhanjay Gautam, none of the other Directors is interested in the resolution.

Hence, Your Directors recommended you to pass the proposed resolution.

Item No. 11.

Shri Yuvraj Ahuja, relative of Shri Rakesh Ahuja, Director of the Company, was appointed as an Additional Director of the Company w.e.f. 14.05.2010 and his term expires at ensuing Annual General Meeting. Company has received a notice under section 257 of the Companies Act, 1956, from a member of the Company, of his intention to propose the appointment of Shri Yuvraj Ahuja as Executive Director of the Company at this Annual General Meeting.

Except Shri Yuvraj Ahuja and Shri Rakesh Ahuja, none of the other Directors are interested in the resolution.

Hence, Your Directors recommended you to pass the proposed resolution.

Item No. 12.

Since, Shri Ravi Kathpalia, Chairman of the Company, is retiring at the ensuing Annual General Meeting, Therefore, the Board of Directors, subject to approval of shareholders, has proposed the name of Shri Laxmi Paul Dhir, Director of the Company, as a Chairman of the Company.

Except Shri Laxmi Paul Dhir, none of the other Directors are interested in the resolution.

Hence, Your Directors recommended you to pass the proposed resolution.

Item No. 13.

Shri Ashok Kumar, Chartered Accountant (C.A.) & Company Secretary (C. S.), appointed as Managing Director of the Company w.e.f. 1st April 2005 for the period of 5 years and his terms of appointment expired on 31st March 2010. Shri Ashok Kumar, a highly caliber professional is ideally suited for this position since as a qualified C. A. & C. S., he is fully equipped to facilitate and aware of the operation of the Company due to his long standing employment of over 25 years with the Company. He is a relative of the Shri Jeevesh Kumar, Director (Corporate Strategy) of the Company.

The Board of Directors of the Company in its meeting held on 18th January 2010, reappointed him as an Additional Director as Managing Director of the Company for the period of 3 years w.e.f. 1st April 2010, subject to the approval of the Shareholders and Central Government, if required.

Pursuant to section 198, 269, 309 and 310 read with Schedule XIII of the Companies Act, 1956 and subject to approval of the Shareholders in the ensuing General Meeting and subject to approval from Central Govt. (if required), the Board reappointed Shri Ashok Kumar as Managing Director of the Company for a further period of three years w.e.f. 1st April, 2010 with a payment of remuneration of Rs. 60.00 lacs per annum (Rs. 5.00 lacs per month) (CTC) besides perquisites and allowances as approved by the Board of Directors.

The Board of Directors after considering the recommendation of remuneration Committee has fixed remuneration as mentioned in resolution to be paid to the Managing Director during his tenure.

Therefore, resolution and other terms and conditions of re-appointment of Shri Ashok Kumar, Managing Director, including the remuneration require approval of the shareholders in the Annual General Meeting and approval of Central Government in pursuance to the provisions of the Companies Act, 1956 and resolution as set at item no. 13 is intended for this purpose.

The notice and explanatory statement may be treated as an abstract of the terms and memorandum of interest under section 302 of the Companies Act, 1956 regarding re-appointment of Shri Ashok Kumar, Managing Director of the Company to be circulated to the shareholders of the Company. In view of above, the Board accordingly recommends his re-appointment.

Except Shri Ashok Kumar, Managing Director, and Shri Jeevesh Kumar, Director (Corporate Strategy), none of the other Directors are interested in the resolution.

Hence, your Directors recommend you to pass the proposed resolution as an ordinary resolution.

Item No. 14.

Shri Ajay Virmani, Chartered Accountant, appointed as CEO of the Company w.e.f. 9th October 2008. He is a highly caliber professional is ideally suited for this position since as a qualified Chartered Accountant, he is fully equipped to facilitate the operation of the Company due to his vital experience of over 23 years.

The Board of Directors of the Company in its meeting held on 14th May 2010, appointed him as an Additional Director as Executive Director & CEO of the Company for the period of 3 years w.e.f. 14th May 2010, subject to the approval of the shareholders and Central Government, if required.

Pursuant to section 198, 269, 309 and 310 read with Schedule XIII of the Companies Act, 1956

and subject to approval of the Shareholders in the ensuing Annual General Meeting and subject to approval from Central Govt. (if required), the Board appointed Shri Ajay Virmani as Executive Director & CEO of the Company for a period of three years w.e.f. 14th May, 2010, with a payment of remuneration of Rs. 36.00 lacs per annum (Rs. 3.00 lacs per month) (CTC) besides perquisites and allowances as approved by the Board of Directors.

The Board of Directors after considering the recommendation of remuneration Committee has fixed remuneration as mentioned in resolution to be paid to the Executive Director & CEO during his tenure.

Therefore, resolution and other terms and conditions of appointment of Shri Ajay Virmani, Executive Director & CEO, including the remuneration require approval of the shareholders in the Annual General Meeting in pursuance to the provisions of the Companies Act, 1956 and resolution as set at item no. 14 is intended for this purpose.

Except Shri Ajay Virmani as Executive Director & CEO, none of the other Directors are interested in the resolution.

Hence, your Directors recommend you to pass the proposed resolution as an ordinary resolution.

Item No. 15.

Shri Dhananjay Gautam, B.E. (Mechanical), appointed as Director (Business Coordination) of the Company w.e.f. 30th April, 2007 and his terms of appointment expired on 29th April 2010.

The Board of Directors of the Company in its meeting held on 14th May 2010, reappointed him an Additional Director as Director (Business Coordination) of the Company for the further period of 3 years w.e.f. 30th April 2010, subject to the approval of the shareholders and Central Government, if required.

Pursuant to section 198, 269, 309 and 310 read with Schedule XIII of the Companies Act, 1956 and subject to approval of the Shareholders in the ensuing Annual General Meeting and subject to approval from Central Govt. (if required) and the Board reappointed Shri Dhananjay Gautam as Director (Business Coordination) of the Company for a further period of three years w.e.f. 30th April, 2010 with the Remuneration of Rs. 12.00 lacs per annum (Rs. 1.00 Lac per month) (CTC) inclusive of all perquisites and allowances.

The Board of Directors after considering the recommendation of remuneration Committee has fixed remuneration as mentioned in resolution to be paid to the Director (Business Coordination) during his tenure.

Therefore, resolution and other terms and conditions of re-appointment of Shri Dhananjay Gautam, Director (Business Coordination) including the remuneration require approval of the shareholders in the Annual General Meeting in pursuance to the provisions of the Companies Act, 1956 and resolution as set at item no. 15 is intended for this purpose.

Except Shri Dhananjay Gautam, Director (Business Co-ordination), none of the other Directors are interested in the resolution.

Hence, your Directors recommend you to pass the proposed resolution as an ordinary resolution.

Item No. 16.

Shri Yuvraj Ahuja, relative of Shri Rakesh Ahuja, Director of the Company, completed his graduation (BSc – Hons.) from The University of Nottingham (U.K.) in Management Studies. He has been working in his family business- construction and infrastructure development besides being actively involved in the manufacturing and marketing of herbal cosmetics, under the brand name – JOVEES; over the last two years.

The Board of Directors of the Company, in its meeting held on 14th May 2010, appointed him as an additional director as Executive Director of the Company for period of 3 years w.e.f. 14th May 2010, subject to the approval of the shareholders and Central Government, if required.

Pursuant to section 198, 269, 309 and 310 read with Schedule XIII of the Companies Act, 1956 and subject to approval of the Shareholders in the ensuing General Meeting and subject to approval from Central Govt. (if required), the Board has appointed Shri Yuvraj Ahuja as an Executive Director on the Board of the Company for a period of 3 years w.e.f. 14th May, 2010 with the Remuneration of Rs. 24.00 lacs per annum (Rs. 2.00 Lacs per month) CTC inclusive of all perquisites and allowances.

The Board of Directors after considering the recommendation of remuneration Committee has fixed remuneration as mentioned in resolution to be paid to the Executive Director during his tenure.

Therefore, resolution and other terms and conditions of appointment of Shri Yuvraj Ahuja, Executive Director of the Company, including the remuneration require approval of the shareholders in the Annual General Meeting in pursuance to the provisions of the Companies Act, 1956 and resolution as set at item no. 16 is intended for this purpose.

In this regard, as required under Part-II, Section-II of Schedule – XIII of the Companies Act, 1956, the following information is furnished below:

(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:

Year	(Rs. in lac)		
	2009-10	2008-09	2007-08
	(Unaudited)	(Audited)	(Audited)
Sales	11432.60	12970.85	8982.78
Net Profit/(Loss)	(347.56)	397.42	40.77

(* including exceptional item profit)

(II) Information about the appointee :**(1) Background Details :**

Shri Yuvraj Ahuja, a graduate from The University of Nottingham (U.K.) in Management Studies, having experience in infrastructure development and construction over the last three years. He has been actively involved with JOVEES - a herbal cosmetics manufacturing and marketing business (started by his family in 2004) over the last two years working directly with the National Sales Manager (Marketing) and the CFO.

(2) Past Remuneration:

There are no any details of the remuneration drawn by the appointee during 2008-09 and 2009-2010.

(3) Job profile and his suitability:

For the purpose of a turnaround to profitability, expansion of capacity of production and other projects, the Board of Directors of the Company in their meeting held on 14th May, 2010, appointed Shri Yuvraj Ahuja as Executive Director of the Company for the period of three years with the remuneration subject to approval of shareholders and Central Government (if required).

(4) Remuneration proposed:

The details of remuneration proposed to be paid to Shri Yuvraj Ahuja as Executive Director of the Company are furnished in the resolution proposed for member's approval under Item No.16 of the Notice of this report.

(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

The prevalent level remuneration in Chemicals Industries is higher. Taking into account the turnover of the Company, the academic background, qualification and experience of Shri Yuvraj Ahuja as Executive Director 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 Yuvraj Ahuja as Executive Director, has no pecuniary relationship with the Company (except to the extent of the remuneration received/receivable from the Company as Executive Director) and he is relative of Shri Rakesh Ahuja, Director of the Company.

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

The Company has achieved the production of 51,812 MT of Caustic Soda during the year 2009-10 as compared to 44,800 MT during the year 2008-09.

However, the market situation was adverse during the year 2009-10 because of global recession. A huge quantity of Caustic Soda was imported at a very cheap price which has disturbed the sentiments of the market, resulting in direct impact on selling price. Despite the increase in production and reduction in cost of production due to efficiencies and cost reduction efforts, the company has incurred losses.

(B) Steps taken or proposed to be taken for improvement

The company is taking steps for revamping the plant, increasing efficiencies and increasing capacity of the plant, to bring down the cost of production.

The sentiments of the market are also improving, as the selling rates have started firming up in the international market and the import of Caustic Soda have come down. The government has also taken the necessary steps and imposed the Safeguard Duty and is likely to impose the anti-dumping duty, which will further improve the sales realization and increase profitability.

(C) Expected increase in productivity and profits in measurable terms

The Company has taken up brownfield project for expansion of Caustic Soda by 130 TPD. The project is expected to be completed during the year 2010-11. After implementation of project, the capacity of Caustic Soda will increase from 207 TPD to 337 TPD resulting in enhancement of turnover and profitability thereof.

The Company is restarting production of Trichloroethylene (TCE) and expecting to manufacture 350 MT to 450 MT per month. After restarting TCE, the Company's turnover will increase along with profitability in coming months.

The Company has also taken up the measures to enhance the productivity of the existing plant by way of modifications, revamping and refurbishing the existing plant. This will further increase the turnover and profitability of the Company.

Except Shri Yuvraj Ahuja, Executive Director and Shri Rakesh Ahuja, Director of the Company, none of the other Directors are interested in the resolution.

Hence, your Directors recommend you to pass the proposed resolution as special resolution.

Item No. 17.

To meet the new challenges, it is imperative that the Company's Board is strengthened to enhance its effectiveness, which is central to maximizing long-term shareholder value. The Company accordingly needs to have a set of directors with appropriate qualifications, skill, experience and/or background in diverse or related fields. In view of the above and to comply with the mandatory Corporate Governance requirements and other applicable provisions of the law, it is proposed to increase the total number of Directors for the time being in the office, from fifteen to eighteen.

Consequently, Article 111 of the Article of Association of the Company is sought to be amended in the manner as set out in the resolution.

In terms of Section 259 of the Companies Act, 1956, the aforesaid amendment requires approval of the Central Government besides obtaining approval of the shareholders by passing a Special Resolution.

None of the Directors are interested in the resolution.

Hence, Your Directors recommended you to pass the proposed resolution as special resolution.

Item No. 18.

For the purpose of growing the business and availing the corporate opportunity in the global market, the Company is required to make loan to any body corporate OR to give guarantee or provide security in connection with the loan made by any person to, or to any other person by, any body Corporate OR to acquire, by way of subscription, purchase or otherwise the securities of any other body corporate.

Board may exercise their power, subject to the approval of the Board of Directors in its meeting in which 75% of the total strength of the Board must present and Chairman and Managing Director of the Company shall also be present in meeting at the time of such proposal.

For this purpose, your company is required to alter its Article by inserting the clause 155(11A) in the Article of Association of the company, resolution as set at item no. 18 require the approval of the shareholders in the ensuing General Annual Meeting.

None of the other Directors of the Company are interested in the resolution.

Hence, your Directors recommend you to pass the proposed resolution as Special Resolution.

Additional Information

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting Pursuant to Clause 49 of the Listing Agreement:

1.	Name of the Director	Shri Ashok Kumar	Shri Dhananjay Gautam	Shri Laxmi Paul Dhir	Shri Ajay Virmani
2.	Date of Birth	05/09/1956	16/02/1964	10/10/1928	25/05/1965
3.	Date of Appointment/ Reappointment	01/04/2010	30/04/2010	14/05/2010	14/05/2010
4.	Experience in Specific Areas	Industrialist	B.E (Mech)	Advocate	Finance & Management
5.	Shareholding in the Company	14,22,337	Nil	Nil	Nil
6.	Directorships in Other Companies	1. Alchemist Asset Reconstruction Co. Ltd. 2. Cirrus Infrastructure Pvt. Ltd. 3. Alkali Manufacturers As- sociation of India	1. YMT Marketing Pvt Ltd. 2. Sopan Securities Pvt. Ltd. 3. Cygnet Projects Pvt. Ltd.	1. Alchemist Assets Recons- truction Co. Ltd. 2. Ariston Infrastructure (P) Ltd. 3. Armadoes Consultants Pvt. Ltd. 4. Shiva Consultants (P) Ltd.	1. Spectrum Textiles (P) Limited
1.	Name of the Director	Shri Yuvraj Ahuja	Shri S. M. Sharma	Shri K. L. Batra	Shri Rakesh Ahuja
2.	Date of Birth	28/10/1987	17/11/1932	27/09/1931	14/10/1961
3.	Date of Appointment/ Re-appointment	14/05/2010	14/05/2010	14/05/2010	28/03/2005
4.	Experience in Specific Areas	Businessman	G.M. (Retd.) Coal India Ltd.	Advocate	Businessman

5.	Shareholding in the Company	Nil	Nil	Nil	26,11,447
6.	Directorships in other Companies	1. Chanduka Trading Ltd 2. XPRT Media Technology Pvt. Ltd.	Nil	Nil	1. J.R Herbal Care India Ltd. 2. Matrix Infonet Dotcom Pvt Ltd. 3. Chanduka Trading Ltd. 4. Alliance Promoters Ltd. 5. Opus Reality Development Ltd. 6. Opus Build-tech Pvt Ltd. 7. Yuvraj Construction and Leasing Ltd.

LORDS CHLORO ALKALI LTD.

Regd. Office: SP-460, Matsya Industrial Area,
Alwar, (Rajasthan) 301 030

FORM OF PROXY

I/We _____ in the district of _____ having Regd. Folio No. _____ of _____ being a member/s of LORDS CHLORO ALKALI LTD. hereby appoint _____ or falling him _____ of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the Adjourned 31st Annual General Meeting of the Company to be held on Thursday, the 30th September, 2010 and at any adjournment thereof .

Signed this _____ day of _____ 2010

Affix
Revenue
Stamp

Note : The proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting

LORDS CHLORO ALKALI LTD.

Regd. Office: SP-460, Matsya Industrial Area,
Alwar, (Rajasthan) 301 030

ATTENDANCE SLIP

(Please present this slip at the Entrance of the Meeting Hall)

I hereby record my presence at the Adjourned 31st Annual General Meeting held at SP-460, Matsya Industrial Area, (Rajasthan) on Thursday, the 30th September, 2010.

To be signed at the time of handing over the slip at the Meeting Hall.

Signature of Member/Proxy

Name of Member/Proxy _____

Regd. Folio/DPID/Client ID No. of Member/Proxy _____





BOOK POST

If undelivered, please return to :
LORDS CHLORO ALKALI LIMITED
B-88, Defence Colony, New Delhi-110024