

NOTICE

NOTICE is hereby given that the 37th Annual General Meeting of the Members of **LORDS CHLORO ALKALI LIMITED** will be held on Friday, the 30th September, 2016 at 10.30 a.m. at Registered Office, SP-460, Matsya Industrial Area, Alwar (Rajasthan) - 301030 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statement of the Company for the Financial Year ended on 31st March, 2016 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Yuvraj Ahuja (DIN: 00164675), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint and fix the remuneration of the Auditors.

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

“RESOLVED THAT pursuant to the provisions of Section 139 & 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications or re-enactment thereof, for the time being in force) and such other applicable provisions, if any, M/s. Gupta Vigg & Co., Chartered Accountants (FRN:001393N), be and are hereby appointed as Statutory Auditors of the Company for five consecutive years, to hold the office from conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held in the year 2021, subject to ratification by members at every Annual General Meeting at such remuneration as shall be fixed in this behalf by the Board of Directors of the Company.”

SPECIAL BUSINESS

4. **To appoint Shri Madhav Dhir as Director of the Company.**

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

“RESOLVED THAT pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force) and such other applicable provisions, if any, Shri Madhav Dhir (DIN: 07227587) who was appointed as an Additional Director of the Company with effect from 9th November 2015 by the Board of Directors and in respect of whom the Company has received a notice in writing

under Section 160(1) of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, whose period of office shall be reckoned as a Director for the purpose of determining the rotation of retirement of directors.”

5. To appoint Shri Madhav Dhir as Whole Time Director of the Company.

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

“**RESOLVED THAT** pursuant to the provisions of Section(s) 196 & 197 read with Schedule V of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force) and such other applicable provisions, if any and subject to the approval from Central Government (if required), consent of the members of the Company be and are hereby accorded for appointment of Shri Madhav Dhir as Whole Time Director of the Company for a period of 3 years w.e.f. 1st June, 2016 on remuneration of Rs. 24 Lakh per annum (Rs. 2 Lakh per month) inclusive of all perquisites and allowances as approved by the Board of Directors.

RESOLVED FURTHER THAT in the event Company having no profit or inadequacy of profit in any financial year, the Company may pay to Shri Madhav Dhir, Whole Time Director of the Company, remuneration by way of salary, inclusive of perquisites and allowances as approved by the Board of Directors, not exceeding the ceiling limit of Rs. 24 Lakh per annum (Rs. 2 Lakh per month) or within the limit approved by the Central Government (if required) or limits specified under Section II of Part II of Schedule-V of the Companies Act, 2013 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 are 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.”

6. To pay Special Allowance, Performance Bonus and Incentive to Shri Ajay Virmani, Managing Director of the Company.

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

“**RESOLVED THAT** in partial modification of the Resolution passed by the members of the Company through Postal Ballot held on 3rd March, 2015 and pursuant to the provisions of Sections 196, 197 & 198 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and such other applicable provisions, if any and subject to the approval of Central Government, if required, consent of the members of the Company be and are hereby accorded:

- i) to pay special allowance @ 5% of Earning before Depreciation and Taxes (EBDT), after Interest, if it is above Rs. 15 crores and upto Rs. 25 crores in a particular financial year and
- ii) to pay performance bonus @ 6% of EBDT (after Interest) if it is above Rs. 25 crores and upto Rs. 50 crores in a particular financial year, in addition to the abovementioned special allowance referred in point no. (i) above and
- iii) to pay incentive @ 8% of EBDT (after Interest) if it is above Rs. 50 crores in a particular financial year, in addition to the abovementioned special allowance and performance bonus referred in point no. (i) and (ii) above

All the aforesaid allowances mentioned in point no. (i) to (iii) payable to Shri Ajay Virmani, Managing Director, will be in addition to his approved remuneration not exceeding Rs. 84,00,000/- per annum, may be paid on a *pro rata* basis every month or on annual basis or partly monthly and partly on an annual basis subject to the limits prescribed under Schedule V of the Companies Act, 2013 or limit approved by the Central Government, if required, and other terms and conditions of his appointment shall remain the same as approved by the members of the Company through Postal Ballot held on 3rd March, 2015.

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

7. To ratify the remuneration of the Cost Auditors for the Financial Year 2016-17.

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

“RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re enactment thereof, for the time being in force) and such other applicable provisions, if any, consent of the members of the Company be and are hereby accorded for ratification of remuneration of Rs. 25,000/- for the Financial Year 2016-17, payable to the Cost Auditors M/s. Goyal, Goyal & Associates, Cost Accountants, Delhi (FRN : 000100), appointed by the Board of Directors at its meeting held on 27th May, 2016, to conduct the audit of the cost records of the Company for the Financial Year 2016-17.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are 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.”

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

**Place: New Delhi
Date: 10th August, 2016**

**Ajay Virmani
Managing Director
DIN: 00758726**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxy Form should be lodged with the Company at the registered office not later than 48 hours i.e. by 10:30 a.m. on 28th September, 2016 before the commencement of the above meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate Members intending to send their authorised representative to attend the meeting are requested to send a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act, 2013 authorising their representative to attend & vote on their behalf at the AGM.
3. Members/ Proxies are requested to bring their copies of the Annual Report to the meeting.
4. In case of joint holders attending the meeting, only such joint holder whose name is higher in the order of names will be entitled to vote.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, 26th September, 2016 to Friday, 30th September, 2016 (both days inclusive).
6. Brief resume of Directors, those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, disclosure of relationships between directors inter-se, names of listed entities in which they also hold directorships and the membership of Committees of the board and shareholding of non-executive directors as stipulated under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by The Institute of Company Secretaries of India are annexed to the Notice of AGM.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company during business hours on any working days upto the date of the AGM.

8. The Members are requested to notify promptly any change in their address to the Company's Registrar and Transfer Agent (RTA), i.e. M/s. Alankit Assignments Ltd.
9. Pursuant to section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Forms SH-13 with the Company's RTA. In respect of shares held in electronic / demat form, nomination form may be filed with the respective Depository Participants (DP).
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Transfer Agent (RTA), i.e. M/s. Alankit Assignments Ltd.
11. Members are informed that the Company is sending Annual Report through email to those members who have registered their E-mail address with the Company. For Members who have not registered their email address, physical copy of the Annual Report are being sent in the permitted mode. Members may also note that the Annual Report for the FY 2015-16 will also be available on the Company's website www.lordschloro.com.
12. **Voting through electronic means**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members, facility to exercise their right to vote on all shareholders' resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

- III. The instructions for members voting electronically are as under:
- (a) The remote e-voting period commences on Monday, 26th September, 2016 (9:00 am) and ends on Thursday, 29th September, 2016 (5:00 pm). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 23rd September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting on Thursday, 29th September, 2016 (after 5:00 pm). Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently..
 - (b) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - (c) The members should log on to the e-voting website www.evotingindia.com.
 - (d) Click on Shareholders.
 - (e) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (f) Next enter the Image Verification as displayed and Click on Login.
 - (g) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
 - (h) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat members as well as physical members)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence no is printed on attendance slip enclosed with the Annual Report. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (e).

- (i) After entering these details appropriately, click on “SUBMIT” tab.
- (j) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (k) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (l) Click on the EVSN for the relevant Company Name i.e. “Lords Chloro Alkali Limited” on which you choose to vote.
- (m) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (n) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (o) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (p) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (q) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (r) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (s) Members can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (t) Note for Non – Individual members and Custodians
 - Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (u) In case you have any query or issue regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (v) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Deputy Manager, Central Depository Services (India) Limited, 16th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001, or send an email to helpdesk.evoting@cdslindia.com or call 18002005533
- IV. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Friday, 23rd September, 2016.
- V. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. Friday, 23rd September, 2016 may obtain the sequence number, in case of holding shares in physical form, by sending a request at helpdesk.evoting@cdslindia.com or secretarial@lordschloro.com and if the shares are in demat form, please refer sub point (h) of point V for voting.
- VI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Friday, 23rd September, 2016 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- VII. Shri Awanish K. Dwivedi (C.P. No 9080), proprietor of M/s. Awanish Dwivedi & Associates, Company Secretaries, New Delhi has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- VIII. The Chairman of the meeting shall, at the AGM venue, at the end of

discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

- IX. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the meeting or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- X. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.lordschloro.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai and Delhi Stock Exchange.
- XI. The Notice of the AGM shall also available on the website of the Company and CDSL.

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

**Place: New Delhi
Date: 10th August, 2016**

**Ajay Virmani
Managing Director
DIN: 00758726**

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

ITEM NO. 4 & 5

The Board of Directors at its meeting held on 9th November, 2015 had appointed Shri Madhav Dhir, as an Additional Director of the Company w.e.f. 9th November, 2015. Pursuant to Section 161 (1) of the Companies Act, 2013, Shri Madhav Dhir, holds office only upto the date of this Annual General Meeting (AGM) of the Company.

A notice in writing from a member along with the requisite deposit under Section 160 of the Companies Act, 2013 has been received by the Company signifying intention to appoint Shri Madhav Dhir as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.

Pursuant to Section 196, 197 read with Schedule V of the Companies Act, 2013 and subject to the approval of the Members and Central Govt., if required, the Board of Directors of the Company at its meeting held on 27th May, 2016 has appointed Shri Madhav Dhir, as Whole Time Director of the Company w.e.f. 1st June, 2016 for the period of three years on a remuneration of Rs. 24,00,000/- (Rupees Twenty Four Lakhs) per annum i.e. Rs. 2,00,000/- (Rupees Two Lakh) per month, inclusive of all perquisites and allowances.

Shri Madhav Dhir, aged 24 years, has a Masters Degree in Economics and Strategy for Business from the prestigious Imperial College London and has completed his B.Sc (Hons) Management from University of Warwick. He is having expertise in strategy and management and advises the management of the Company on all strategic matters relating to existing and future business of the Company. In this capacity, he works closely with Managing Director and is part of the decision making of Lords Chloro Alkali Limited. The Remuneration and terms and conditions of appointment as Whole Time Director, have been specified in the Item No 5.

In this regard, the details under Section-II of Part-II of Schedule V of the Companies Act, 2013, required for the Resolution No. 5 of the Notice, 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 1973 with a capacity of 125 tonnes per day.

(3) Financial Performance:

(Rs. in lakh)

Year	2015-2016	2014-2015	2013-2014
Sales	9443.41	904.94	NIL
Net Profit/(Loss)	749.41	(67.46)	(422.42)

(II) Information about the appointee:

1) Background Details:

Shri Madhav Dhir, aged 24 years, has a Masters Degree in Economics and Strategy for Business from the prestigious Imperial College London and has completed his B.Sc(Hons) Management from University of Warwick. He is having expertise in strategy and management and advises the management of the Company on all strategic matters relating to existing and future business of the Company.

(2) Past Remuneration:

He was getting Rs. 1,00,000/- per month from Dhir & Dhir Associates since October, 2014, in the capacity of Business Development Head.

(3) Job profile and his suitability:

He is actively involved in the secretarial, finance, production and marketing department of the Company. He has contributed substantially in increasing the production capacity of the Company. Under his dynamic leadership and guidance Company will move forward in right direction.

(4) Remuneration proposed:

After recommendation of Nomination and Remuneration Committee, the Board proposed the remuneration to be paid to Shri Madhav Dhir as Whole Time Director of the Company, are furnished in the resolution proposed for member's approval under Item No. 5 of this Notice.

(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 his qualification, dynamic approach, his vital role and invaluable contribution towards the Company, 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 Madhav Dhir as Whole Time Director has no pecuniary relationship with the Company or Key Managerial Personnel of the Company or their relatives (except to the extent of the remuneration received/receivable from the Company as Whole Time Director).

(III) Other Information:

- (A) Reasons of inadequacy of profit:

As the Company's plant was not operational since 2011 because the major equipment of the plant required revamp. The life of Anodes, Cathodes and Membranes had got exhausted and thus got replaced the necessary plant and machinery. Consequently, the plant of the Company became operational (though at limited capacity) since February, 2015, however it has yet to achieve its full efficiency due to leakage problem from the cells.

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

The Company is putting its hard efforts for removing the inefficiencies, in the existing plant and expansion of production capacity of plant to bring down the cost of production and efficiency enhancement. Further, the Company has increased its production capacity from 107 TPD to 144 TPD by revamping the old 37TPD UDHE Electrolysers.

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

The plant is currently not operating at desired efficiencies but making efforts to enhance efficiency of its plant by further revamping of its plant. At present, the Company is operating at 144 TPD and plans to commission new Electrolysers of 70 TPD of latest technology in the year 2016-17 taking the total operating capacity to 214 TPD by mid 2017.

The other relevant information required to be given as per applicable provisions of Companies Act, 2013 read with Secretarial Standards issued by The Institute of Company Secretaries of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Annexure I of this notice and in the section named as "*Corporate Governance Report*" of Board's Report for the financial year 2015-2016.

Except Shri Madhav Dhir, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 4 & 5 of the notice.

Hence, your Directors recommend you to pass the proposed resolution as set out in item no. 4 & 5 as an Ordinary and Special Resolution respectively.

ITEM NO. 6

Shri Ajay Virmani was re-appointed as Managing Director of the Company on Remuneration not exceeding Rs. 84,00,000/- (Rupees Eighty Four Lakh Only) per annum for a period of three years w.e.f. 12th July, 2015.

Considering the inflationary trend and the substantial increase in the business activities of the Company resulting in increase in the workload and responsibilities of the Managing Director and also the amount of remuneration payable to managerial personnel occupying similar positions in other companies, the Board of Directors of the Company, pursuant to section 196, 197 & 198 read with Schedule V of the Companies Act, 2013, and subject to the approval of the Members and Central Govt. (if required), considered the payment of special allowance, performance bonus and incentives to Shri Ajay Virmani, Managing Director of the Company as per the details mentioned in Item No. 6 of the Notice. However, other terms and conditions of his appointment shall remain the same as approved by the members of the Company through Postal Ballot held on 3rd March, 2015.

As increase in the remuneration payable to Shri Ajay Virmani, Managing Director, exceeds the limit of Schedule V of the Companies Act, 2013, thus it requires the approval of the Members of the Company through Special Resolution, subject to the approval by the Central Government, if required.

In this regard, the details under Section-II of Part-II of Schedule V of the Companies Act, 2013, required for the Resolution No. 6 of the Notice, 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 1973 with a capacity of 125 tonnes per day.

(3) Financial Performance:

(Rs. in lakh)

Year	2015-2016	2014-2015	2013-2014
Sales	9443.41	904.94	NIL
Net Profit/(Loss)	749.41	(67.46)	(422.42)

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

Shri Ajay Virmani, Chartered Accountant, aged 55 years, was appointed as Executive Director & CEO of the Company for a period of three years w.e.f. 14th May, 2010 and designated as Managing Director of the Company w.e.f. 12th July, 2012. Further, he was re-appointed as a Managing Director of the Company w.e.f. 12th July, 2015 for a period of three years. He is a high caliber professional and is ideally suited for this position. He is fully equipped to facilitate the operation of the Company due to his vital experience of over 29 years.

(2) Past Remuneration:

He was appointed 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. 3.00 lakhs per month besides perquisites and allowances as approved by the Board of Directors. Further, he was re-appointed as a Managing Director of the Company w.e.f. 12th July, 2015 on Remuneration not exceeding Rs. 84,00,000/- (Rupees Eighty Four Lakh Only) per annum for a period of three years.

(3) Job profile and his suitability:

Under his leadership and guidance, Company has earned profit this year and is in process of expansion of production capacity and other project, the Board of Directors of the Company in its meeting held on 15th December, 2014, re-appointed Shri Ajay Virmani as Managing Director of the Company w.e.f. 12th July, 2015 for the period of three years.

(4) Remuneration proposed:

The details of remuneration proposed to be paid to Shri Ajay Virmani as Managing Director of the Company are furnished in the resolution proposed for member's approval under Item No. 6 of this Notice.

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

The prevalent level of remuneration in Chemicals industry is higher. Taking into account the academic background, qualification & experience of Shri Ajay Virmani as Managing Director of the Company, his invaluable contribution to the Company and 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 Ajay Virmani as Managing Director has no pecuniary relationship with the Company or Key Managerial Personnel of the Company or their relatives (except to the extent of the remuneration received/receivable from the Company as Managing Director).

(III) Other Information:

(A) Reasons of inadequacy of profit:

As the Company's plant was not operational since 2011 because the major equipment of the plant required revamp. The life of Anodes, Cathodes and Membranes had got exhausted and thus got replaced the necessary plant and machinery. Consequently, the plant of the Company became operational (though at limited capacity) since February, 2015, however it has yet to achieve its full efficiency due to leakage problem from the cells.

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

The Company is putting its hard efforts for removing the inefficiencies, in the existing plant and expansion of production capacity of plant to bring down the cost of production and efficiency enhancement. Further, the Company has increased its production capacity from 107 TPD to 144 TPD by revamping the old 37TPD UDHE Electrolysers.

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

The plant is currently not operating at desired efficiencies but making efforts to enhance efficiency of its plant by further revamping of its plant. At present, the Company is operating at 144 TPD and plans to commission new Electrolysers of 70 TPD of latest technology in the year 2016-17 taking the total operating capacity to 214 TPD by mid 2017.

The other relevant information required to be given as per applicable provisions of Companies Act, 2013 read with Secretarial Standards issued by The Institute of Company Secretaries of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the section named as "Corporate Governance Report" of Board's Report for the financial year 2015-2016.

Except Shri Ajay Virmani as Managing Director, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution set out at item no. 6 of the notice.

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

ITEM NO. 7

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment & remuneration of the Cost Auditor M/s. Goyal, Goyal & Associates, Cost Accountants, New Delhi (FRN : 000100) to conduct the audit of the cost records of the Company for the financial year 2016-17 at a remuneration of Rs. 25,000/ (Rupees Twenty Five Thousand).

Pursuant to the provisions of section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members sought for passing an Ordinary Resolution as set out at item no. 7 of the notice for ratification of remuneration payable to the cost auditors for the financial year 2016-17.

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

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

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

**Place: New Delhi
Date: 10th August, 2016**

**Ajay Virmani
Managing Director
DIN: 00758726**

Annexure -I

Pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of Directors seeking appointment/reappointment at the forthcoming Annual General Meeting .

Name of Director	Shri Yuvraj Ahuja
Director Identification No.	00164675
Date of Birth	28 th October, 1987
Brief Resume	Shri Yuvraj Ahuja, aged 28 years, is the Non-Executive Director and one of the Promoters of the Company. As a Non-Executive Director, he advises the management of the Company on all strategic matters relating to existing and future business of the Company.
Date of Appointment	14 th May, 2010
Expertise in Specific Functional Area	Strategy and Management
Disclosure of relationships between Directors inter-se	He is son of Shri Rakesh Ahuja, other Non-Executive Promoter Director of the Company.
Names of listed entities in which he holds the directorship as on 31.03.2016	Lords Chloro Alkali Limited
Names of listed entities in which he holds Membership of Committees of the Board as on 31.03.2016	Nil
No. of equity shares held as on 31.03.2016	12,50,000

Name of Director	Shri Madhav Dhir
Director Identification No.	07227587
Date of Birth	18 th February, 1992
Brief Resume	Shri Madhav Dhir, aged 24 years, is the Executive Director and one of the Promoters of our Company. As an Executive Director, he advises on all strategic matters relating to existing and future business of the Company.
Date of Appointment / Reappointment	9 th November, 2015
Expertise in Specific Functional Area	Strategy and Management, Secretarial, Finance, Production and Marketing Department
Disclosure of relationships between Directors inter-se	He is not related to any of the Directors on the Board of the Company.
Names of listed entities in which he holds the directorship as on 31.03.2016	Lords Chloro Alkali Limited
Names of listed entities in which he holds Membership of Committees of the Board as on 31.03.2016	Nil
No. of equity shares held as on 31.03.2016	73,84,582