

**Date: 6<sup>th</sup> September, 2022**

To,  
The General Manager,  
BSE Limited,  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort,  
Mumbai 400 001

**BSE Scrip Code: 500284**

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

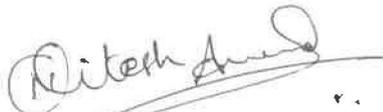
Dear Sir,

Pursuant to Regulation 30 and 34(1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, please find enclosed herewith the copy of Annual Report along with the Notice for Convening the 43<sup>rd</sup> Annual General Meeting of the Members of the Company scheduled to be held on Friday, 30<sup>th</sup> September, 2022 at 11.00 A.M. at Registered Office at SP-460, Matsya Industrial Area, Alwar (Rajasthan)- 301030.

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

Kindly take the above in your record.

Yours faithfully  
For Lords Chloro Alkali Limited



**Nitesh Anand**  
Company Secretary & Compliance Officer

**Encl: A/a**



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**43<sup>rd</sup> Annual Report**  
**2021-22**

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**LORDS CHLORO ALKALI LIMITED**

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**Board of Directors**

**SHRI AJAY VIRMANI  
MS SRISHTI DHIR  
SHRI MADHAV DHIR  
SHRI PAWAN KUMAR NAYYAR  
MS POONAM BISHT  
SHRI RAJBIR SINGH MAKHNI  
SHRI SANDEEP SINGH  
SHRI DEEPAK MATHUR**

**MANAGING DIRECTOR  
NON EXECUTIVE DIRECTOR  
EXECUTIVE DIRECTOR  
INDEPENDENT DIRECTOR  
INDEPENDENT DIRECTOR  
INDEPENDENT DIRECTOR  
INDEPENDENT DIRECTOR  
DIRECTOR (TECHNICAL)**

**Compliance Officer**

**SHRI NITESH ANAND**

**Statutory Auditors**

**M/s. Nimani Garag Agarwal & Co.  
1517, Devika Tower, 6, Nehru Place,  
New Delhi- 110 019.**

**Secretarial Auditor**

**M/s. SSPK & Co.,  
Company Secretaries  
713, 7<sup>th</sup> Floor,  
S.G. Shopping Mall, D C Chowk,  
Sector-9, Rohini, New Delhi-110085**

**Cost Auditors**

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

**Registrar & Share Transfer Agent**

**M/s. Alankit Assignments Limited  
“Alankit Heights” (RTA Division),  
4E/2, Jhandewalan Extn.  
New Delhi – 110055  
Ph No: +91-11-4254 1956 &  
+ 91- 89 29 955315  
Fax No.:+ 91-11-4254 1201**

**Registered Office & Plant**

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

**Corporate office**

**A-281, 1<sup>st</sup> Floor, Defence Colony,  
New Delhi-110024.  
Ph. No.: 011-40239034/35  
E-mail: secretarial@lordschloro.com  
Website: www.lordschloro.com**

## About the Company

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

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

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

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



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

**Managing Director’s message**

Dear Members,

It is a privilege for me to share my thoughts with you as your Company’s Managing Director.

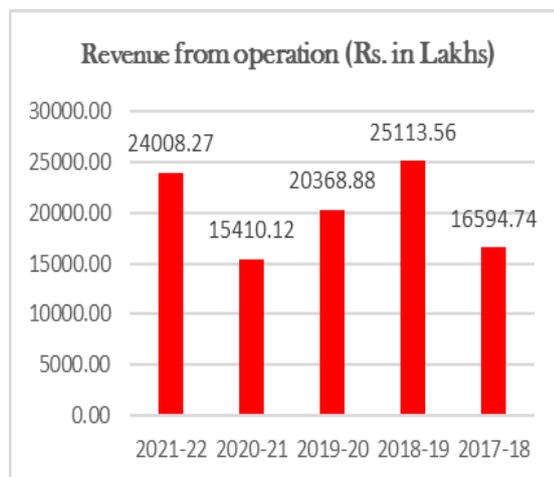
The past couple of years have been a period of intense action and reflection. We have seen a global pandemic, geopolitical tensions, supply chain disruptions and many other public and private upheavals. As the dust settles, and a clearer picture of the world ahead emerges, I believe we are standing at the threshold of a period of great opportunity and growth.

Further, after registering sharp decline in the initial months of 2020-21 due to the Covid-19 pandemic Indian exports started somewhat stabilising in the later months. The exports of Indian Chemicals has registered growth of 106% in financial year 2021-22 over 2013-14 i.e over a 8 year’s period. The export growth of Chemicals has been achieved because of a surge in shipments of Organic, Inorganic Chemicals, Agrochemicals, Dyes and Dye intermediates, Specialty Chemicals. Today Indian Chemical industry has become global player and earns foreign exchange for the nation with “Make in India” approach. India is the 6<sup>th</sup> Largest producer of Chemicals in the world and 3<sup>rd</sup> in Asia. India ranks 14<sup>th</sup> position in export of chemicals.

The Indian chemical industry is one of the fastest growing industries in the world and contributes 3.4 percent to the global chemical industry. Apex body, the Indian Chemical Council (ICC) predicted that the Indian chemical industry can double its size to \$300 billion by 2025. With government’s support on Atmanirbhar Bharat, many chemical companies- big and small- are taking a giant leap towards global dominance.

**Performance of the Company**

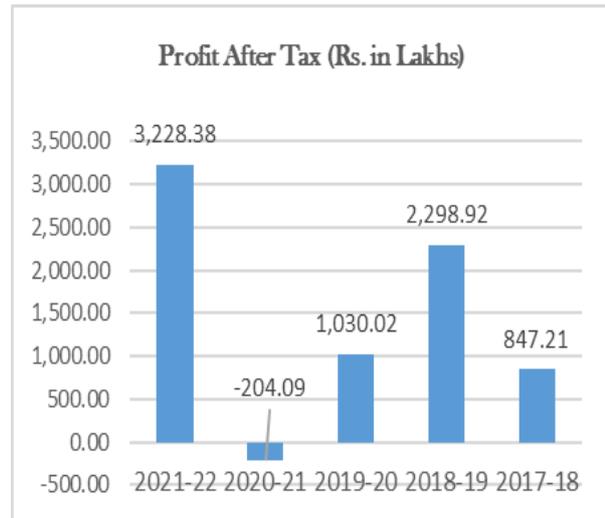
The during the year total revenue from operations was Rs. 24,008.27 Lakhs which registered 55.80% increase as compared to total revenue from operations of Rs. 15,410.12 Lakhs in the previous year. The revenue increased due to increase in price and demand of caustic soda in India. The Management periodically reviews the financial performance of the Company against the approved plans across various parameters and takes necessary action, wherever necessary.



I take pleasure in sharing that your company has achieved a net Profit of Rs. 3,228.38 Lakhs for the current year against a Net loss of Rs. 204.09 lakhs in the previous year.

This has been possible due to better realisation per ton of Caustic Soda in comparison to earlier years.

Further, the company has also commissioned the new Sodium Hypochlorite plant during the year and the Company is implementing a plan to



increase the Caustic soda capacity to 300 TPD in near future. Your company has also started work on establishing two chlorine derivatives namely Chlorinated Paraffin Wax (CPW) and Stable Bleaching powder (SBP).

The company is very confident of producing at full capacity in the year 2022-23 with much better profitability. Company is closely watching the improving state of economy and will take further decisions on expansion and broadening the product mix during the year.

We also remain committed to ensure the highest standards of corporate governance in true spirit. On behalf of the Board, I would like to thank all our customers, suppliers, Bankers and the government for their support to the Company. I convey my sincere appreciation to Team Lords Chloro Alkali Limited for its performance and thank all the shareholders for their trust reposed in us.

**With Warm Regards**  
**Ajay Virmani**  
**Managing Director**

## NOTICE

**NOTICE** is hereby given that the 43<sup>rd</sup> Annual General Meeting of the Members of **Lords Chloro Alkali Limited** will be held on Friday, 30<sup>th</sup> September, 2022 at 11.00 A.M. at Registered Office at SP-460, Matsya Industrial Area, Alwar (Rajasthan) - 301030 to transact the following businesses:

### **ORDINARY BUSINESSES:**

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on 31<sup>st</sup> March, 2022 and the reports of the Board of Directors and Auditors thereon.
2. To appoint Ms. Srishti Dhir (DIN: 06496679), who retires by rotation at this meeting and being eligible has offered herself for reappointment.

### **SPECIAL BUSINESSES:**

#### **3. Appointment of Ms. Sakshi Vashisth (DIN: 08645425) as an Independent 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 Sections 149, 152, 161 read with Schedule IV, and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”), Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Sakshi Vashisth (DIN: 08645425), who was appointed as an Additional Director (Independent) w.e.f. 10<sup>th</sup> August, 2022 by the Board of Directors upon recommendation by the Nomination and Remuneration Committee of the Company, and whose term expires at this Annual General Meeting, in respect of whom a notice proposing her candidature for the office of Independent Director has been received, be and is hereby appointed as an Independent Non-Executive Director of the Company, not liable to retire by rotation, to hold office for a period of Five (5) consecutive years with effect from 10<sup>th</sup> August, 2022.

**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.”

#### **4. Appointment of Ms. Shubha Singh (DIN:06926872) as an Independent 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 Sections 149, 152, 161 read with Schedule IV, and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”), Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Shubha Singh (DIN:06926872), who was appointed as an Additional Director (Independent) w.e.f. 10<sup>th</sup> August, 2022 by the Board of Directors upon recommendation by the Nomination and Remuneration Committee of the Company, and whose term expires at this Annual General Meeting, in respect of whom a notice proposing her candidature for the office of Independent Director has been received, be and is hereby appointed as an Independent Non-Executive Director of the Company, not liable to retire by rotation, to hold office for a period of Five (5) consecutive years with effect from 10<sup>th</sup> August, 2022.

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

**5. Appointment of Shri Amia Kumar Singh (DIN:0664684) as an Independent 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 Sections 149, 152, 161 read with Schedule IV, and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”), Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Amia Kumar Singh (DIN:0664684), who was appointed as an Additional Director (Independent) w.e.f. 31<sup>st</sup> August, 2022 by the Board of Directors upon recommendation by the Nomination and Remuneration Committee of the Company, and whose term expires at this Annual General Meeting, in respect of whom a notice proposing his candidature for the office of Independent Director has been received, be and is hereby appointed as an Independent Non-Executive Director of the Company, not liable to retire by rotation, to hold office for a period of Five (5) consecutive years with effect from 31<sup>st</sup> August, 2022.

**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.”

**6. To ratify the remuneration of the Cost Auditors for the Financial Year 2022-23.**

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

**“RESOLVED THAT** pursuant to the provisions under Section 148 and all other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Members of the Company be and is hereby accorded for ratification of remuneration, as approved by the Board of Directors and set out in the statement annexed to the notice, to be paid to the Cost Auditors M/s. Goyal, Goyal & Associates appointed by the Board of Directors at their meeting held on 10<sup>th</sup> August, 2022 to conduct the audit of the cost records of the company for the Financial Year 2022-23.”

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

**Place: New Delhi  
Date: 31<sup>st</sup> August, 2022**

**Ajay Virmani  
Managing Director  
DIN: 00758726**

**NOTES:**

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, in respect of the special businesses to be transacted at the meeting under Item No. 3 to 6 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxy Form should be lodged with the Company at the registered office not later than 48 hours before the commencement of the above meeting i.e. by 11:00 A.M. of 30<sup>th</sup> September, 2022

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

3. Corporate Members intending to send their authorised representative to attend the meeting are requested to send a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act, 2013, authorising their representative to attend & vote on their behalf at the AGM.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the meeting, only such joint holder whose name is higher in the order of names will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 27<sup>th</sup> September, 2022 to Friday, 30<sup>th</sup> September, 2022 (both days inclusive).
7. The information about the Director, proposed to be appointed / reappointed as required under Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed to this Notice.
8. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the company. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the Company on all working days except Saturdays & Sundays of the Company between 11:00 a.m. and 1:00 p.m. upto the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting.
9. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 (‘Act’) and the Register of Directors and

Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, will be available for inspection by the members at the Meeting.

10. The Members are requested to notify promptly any change in their address to the Company's Registrar and Transfer Agent, M/s. Alankit Assignments Ltd. (RTA).
11. Pursuant to section 72 of the Companies Act, 2013, members holding shares in physical forms may file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in electronic / demat form, nomination form may be filed with the respective Depository Participants (DP).
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Transfer Agent (RTA), M/s. Alankit Assignments Ltd.
13. Pursuant to the Regulation 40 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and SBI vide its circular , no physical shares are allowed to be transferred (except in case of transmission or transposition of Shares) unless the securities are held in the dematerialized form w.e.f. 1<sup>st</sup> April, 2019. Accordingly, Shareholders holding shares in physical form are requested to dematerialize their shareholding in the Company to avoid hassle in transfer of shares.
14. In terms of the Ministry of Corporate Affairs (MCA) vide its General Circular Nos. 14/2020 dated 08.04.2020, 17/2020 dated 13.04.2020, 22/2020 dated 15.06.2020, 33/2020 dated 28.09.2020 and 39/2020 dated 31.12.2020 and 10/2021 dated 23.06.2021, 20/2021 dated December 08, 2021 and 02/2022 & 03/2022 dated May 5, 2022 (collectively referred to as "MCA Circulars") read with SEBI circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Notice of the AGM along with Attendance Slip and Proxy Form is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members whose email is not registered may note that the Notice of AGM will also be available on the Company's website [www.lordschloro.com](http://www.lordschloro.com) websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) respectively.

#### 15. Voting through electronic means

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

**The remote e-voting period begins on 26.09.2022 at 09.00 A.M. and ends on 29.09.2022 at 05.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e.23.09.2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23.09.2022.**

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

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

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

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

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

	<p><b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  App Store         </div> <div style="text-align: center;">  Google Play         </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. <b>NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID

	For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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

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

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

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

**General Guidelines for shareholders**

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

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [secretarial@lordschloro.com](mailto:secretarial@lordschloro.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [secretarial@lordschloro.com](mailto:secretarial@lordschloro.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**Other instructions**

- I. The e-voting period commences on Monday, 26<sup>th</sup> September, 2022 (9.00 A.M. IST) and ends on Thursday, 26<sup>th</sup> September, 2022 (5.00 P.M. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday, 21<sup>st</sup> September, 2021 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.
- II. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date Friday, 23<sup>rd</sup> September, 2022 only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through electronic voting system or poll paper.
- III. Any person, who acquires shares of the Company and become member of the Company after email of the notice and holding shares as of the cut-off date i.e. Friday, 23<sup>rd</sup> September, 2022, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or

the Company/Registrar and Share Transfer Agent. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

IV. Shri Awanish K. Dwivedi (C.P. No 9080), proprietor of M/s Awanish Dwivedi & Associates, Company Secretaries, New Delhi has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

V. The Scrutinizer shall after the conclusion of voting at the general meeting, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make, not later than 48 Hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

VI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.lordschloro.com](http://www.lordschloro.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

16. A route map to the venue of the Annual General Meeting is annexed

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

**Item No.3**

In terms of the Nomination & Remuneration Policy of the Company and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors had appointed Ms. Sakshi Vashisth (DIN:08645425) as an Additional Director (Non-Executive Independent Director), with effect from 10<sup>th</sup> August 2022, not liable to retire by rotation and to holds office upto the ensuing Annual General Meeting of the Company.

The Company has received a notice under Section 160 of the Companies Act, 2013 (“the Act”) proposing her candidature for the office of Independent Director of the Company.

Ms.Sakshi Vashisth is not disqualified from being appointed as a Director in terms of Section 164 of the Act. She has given her consent to act as a Director and a declaration to the effect that she meets the criteria of Independence as provided in Section 149(6) of the Act.

In the opinion of the Board, Ms.Sakshi Vashisth possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as an Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and that she is independent of the management.

Ms.Sakshi Vashisth (DIN:08645425) is a practising Company Secretary. She possesses an expertise of over a decade. She has a very wide experience in the statutes concerning Corporate Laws, Foreign Exchange Management Act, RBI related statues and SEBI related laws and regulations and Legal & Financial consultancy. Her advisory and consultancies have been widely sought after by various corporate houses, thereby assuring the up to date compliances of these corporates with the applicable laws, as well as with the applicable amendments.

Ms.Sakshi Vashisth has not drawn any remuneration in the Financial Year. Ms.Sakshi Vashisth is not related with any other director/KMP of the Company and does not hold any equity shares in the company.

Further, Ms. Sakshi Vashisth is not a Director of any other listed entity and details of other entities in which she holds Directorship/Partnership/ Chairmanship / Membership of Committees of their Board are as follows:

S.No.	Name of the Companies/LLP	Position held	Name of the Committees of the Board	Chairman/ Member
1.	Operose Overseas LLP	Designated Partner	--	--
2.	MJS India Financial Consultants LLP	Designated Partner	--	--
3.	Vital Accounting Solutions Private Limited	Director	--	--

Except Ms.Sakshi Vashisth, being an appointee, none of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 3 of the Notice.

Hence, your Directors recommended you to pass the proposed resolution as set out in item no. 3 as an Ordinary Resolution.

#### **Item No.4**

In terms of the Nomination & Remuneration Policy of the Company and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors had appointed Ms. Shubha Singh (DIN:06926872) as an Additional Director (Non-Executive Independent Director), with effect from 10<sup>th</sup> August 2022, not liable to retire by rotation and to holds office upto the ensuing Annual General Meeting of the Company.

The Company has received a notice under Section 160 of the Companies Act, 2013 (“the Act”) proposing her candidature for the office of Independent Director of the Company.

Ms. Shubha Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Act. She has given her consent to act as a Director and a declaration to the effect that she meets the criteria of Independence as provided in Section 149(6) of the Act.

In the opinion of the Board, Ms. Shubha Singh possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as an Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and that she is independent of the management.

Ms. Shubha Singh (DIN:06926872) is a qualified Company Secretary. She is also a Chartered Financial Analyst (CFA) from ICFAI, Hyderabad since 2022, Postgraduate Diploma in Financial Analyst from ICFAI, Hyderabad since 2022, MBA (International Business) From IMT, Ghaziabad since 2013 and Law graduate from faculty of Law. She also hold Bachelor degree in B.Com. (Hons) from Hansraj College, Delhi University. She has a very wide experience in the statutes concerning Corporate Laws, Foreign Exchange Management Act, RBI related statues and laws and SEBI related laws and regulations. She is also serving on the Board as Non-Executive Director of AMD Industries Ltd.

Ms. Shubha Singh has not drawn any remuneration in the Financial Year. Ms. Shubha Singh is not related with any other director/KMP of the Company and does not hold any equity shares in the company.

Further, details of other entities in which Ms. Shubha Singh holds Directorship, Chairmanship/ Membership of Committees of their Board are as follows:

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S.No.	Name of the Companies/LLP	Position held	Name of the Committees of the Board	Chairman/Member
1.	AMD Industries Limited	Director	<b>AMD Industries Limited</b> <i>-Nomination and Remuneration Committee-Member</i> <i>-Stakeholders Relationship Committee-Chairperson</i> <i>-Corporate Social Responsibility Committee-Member</i>	-
2.	Nomenclature Engineering Private Limited	Director	-	-

Except Ms. Shubha Singh, being an appointee, none of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 4 of the Notice.

Hence, your Directors recommended you to pass the proposed resolution as set out in item no. 4 as an Ordinary Resolution.

#### **Item No.5**

In terms of the Nomination & Remuneration Policy of the Company and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors had appointed Shri Amia Kumar Singh (DIN:0664684) as an Additional Director (Non-Executive Independent Director), with effect from 31<sup>st</sup> August 2022, not liable to retire by rotation and to holds office upto the ensuing Annual General Meeting of the Company.

The Company has received a notice under Section 160 of the Companies Act, 2013 (“the Act”) proposing his candidature for the office of Independent Director of the Company.

Shri Amia Kumar Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Act. He has given his consent to act as a Director and a declaration to the effect that he meets the criteria of Independence as provided in Section 149(6) of the Act.

In the opinion of the Board, Shri Amia Kumar Singh possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as an Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and that he is independent of the management.

Shri Amia Kumar Singh is a qualified Chartered Accountant. He is possessing expertise of over a decade in Finance Profession having around 11 years of comprehensive experience He is very well versed in Taxation, International taxation and transfer pricing. Presently he is

associated with Haier Appliances India Private Limited, as Deputy General Manager Taxation and awarded best employee of H-1, 2019 in Haier India. Further he was also associated with Ernst and Young, Hyderabad, India as Consultant Transfer Pricing & International Taxation and Apollo Tyres Limited, as Associate Manager Taxation.

Shri Amia Kumar Singh has not drawn any remuneration in the Financial Year. Shri Amia Kumar Singh is not related with any other director/KMP of the Company and does not hold any equity shares in the company.

Further, Shri Amia Kumar Singh is not on the Board of any other Company and any committee(s) of other Company.

Except Shri Amia Kumar Singh, being an appointee, none of the Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 5 of the Notice.

Hence, your Directors recommended you to pass the proposed resolution as set out in item no. 5 as an Ordinary Resolution.

**Item no. 6**

The Board of Directors, on the recommendation of the Audit Committee, had approved the appointment & remuneration of the Cost Auditor M/s. Goyal, Goyal & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year 2022-23 at a remuneration of Rs. 75,000 /- (Rupees Seventy Five Thousand only).

Pursuant to the provisions of section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing an ordinary Resolution as set out at Item No.6 of the notice for ratification of remuneration payable to the cost auditors for the financial year 2022-23.

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 recommended you to pass the proposed resolution as mentioned in Item No. 6 of the notice, as an ordinary Resolution.

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

**Place: New Delhi  
Date: 31<sup>st</sup> August, 2022**

**Ajay Virmani  
Managing Director  
DIN: 00758726**

**Annexure to the Notice**

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

<b>Name of Director</b>	Ms. Srishti Dhir
<b>Director Identification No.</b>	06496679
<b>Date of Birth</b>	28/10/1987
<b>Brief Resume</b>	Ms. Srishti Dhir has a Masters Degree from London Business School and a B.A. LL.B qualification from Warwick University and has also completed LL.M Degree from India. Presently she is CFO of growX Ventures Management an early-stage investor in the B2B sector. She has been involved with financial services including acquisition and restructuring of businesses and was president of Alchemist ARC. She is a serial entrepreneur and had established 'Hub & oak' a well-established co-working entity in India; "Book Office Now" a co-working aggregator platform and is an expert in Marketing and Management.
<b>Date of Appointment</b>	23/08/2021
<b>Expertise in Specific Functional Area</b>	Finance, Marketing and Management
<b>Disclosure of relationships between directors inter-se</b>	She is sister of Shri Madhav Dhir, Whole Time Director of the Company.
<b>Names of listed entities in which she holds the directorship as on 31.03.2022</b>	Lords Chloro Alkali Limited
<b>Names of listed entities in which she holds Membership of Committees of the board as on 31.03.2022</b>	Lords Chloro Alkali Limited
<b>No. of equity shares held as on 31.03.2022</b>	40,85,694 Shares
<b>Details of Remuneration</b>	NA
<b>No. of Meetings of the Board attended during the year</b>	Details for the Board meetings attended by him during the financial year are provided at appropriate place in the Board Report.
<b>Other Directorships</b>	<ol style="list-style-type: none"> <li>1. Hub And oak Accelerator Private Limited</li> <li>2. Dhir Hotels And Resorts Private Limited</li> <li>3. Monet Exports Private Limited</li> </ol>

	<p>4. Cirrus Chemicals Private Limited</p> <p>5. Aquamarine Synthetics and Chemicals Private Limited</p> <p>6. Cygnet Projects Private Limited</p> <p>7. Japa Arts Private Limited</p> <p>8. Ammadoes Trading and Consultants Private Limited</p> <p>9. Turquoise Metals and Electricals Private Limited</p> <p>10. Destinationindia Projects Private Limited</p> <p>11. Triton Projects India Private Limited</p> <p>12. Sri Parthasarathy Infrastructure Private Limited</p> <p>13. Dhir E-Commerce Private Limited</p> <p>14. Dhir Investment Advisors Private Limited</p> <p>15. Swadesi Launchpad Private Limited</p> <p>16. Scrapto Automotive Testing Private Limited</p> <p>17. Agate India Investment Limited</p> <p>18. Acorn Global Investment Limited</p>
<b>Membership/ Chairmanship of Committees of other Boards</b>	NA

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

<b>Name of Director</b>	Ms. Sakshi Vashisth
<b>Director Identification No.</b>	08645425
<b>Date of Birth</b>	25/12/1987
<b>Brief Resume</b>	Ms. Sakshi Vashisth (DIN:08645425) is a practising Company Secretary. She possesses an expertise of over a decade. She has a very wide experience in the statutes concerning Corporate Laws, Foreign Exchange Management Act, RBI related statutes and SEBI related laws and regulations and Legal & Financial consultancy. Her advisory and consultancies have been widely sought after by various corporate houses,

	thereby assuring the up to date compliances of these corporates with the applicable laws, as well as with the applicable amendments.
<b>Date of Appointment</b>	10/08/2022
<b>Expertise in Specific Functional Area</b>	Legal and corporate laws
<b>Disclosure of relationships between directors inter-se</b>	She is not related to any of the Directors on the Board of the Company
<b>Names of listed entities in which she holds the directorship as on 31.03.2022</b>	NA
<b>Names of listed entities in which she holds Membership of Committees of the board as on 31.03.2022</b>	NA
<b>No. of equity shares held as on 31.03.2022</b>	NA
<b>Details of Remuneration</b>	NA
<b>No. of Meetings of the Board attended during the year</b>	NA
<b>Other Directorships</b>	Operose Overseas LLP MJS India Financial Consultants LLP Vital Accounting Solutions Private Limited
<b>Membership/ Chairmanship of Committees of other Boards</b>	NA

<b>Name of Director</b>	Ms. Shubha Singh
<b>Director Identification No.</b>	06926872
<b>Date of Birth</b>	26/01/1976
<b>Brief Resume</b>	<p>Ms. Shubha Singh is a qualified Company Secretary. She is also a Chartered Financial Analyst (CFA) from ICFAI, Hyderabad since 2022, Postgraduate Diploma in Financial Analyst from ICFAI, Hyderabad since 2022, MBA (International Business) From IMT, Ghaziabad since 2013 and Law graduate from faculty of Law.</p> <p>She also hold Bachler degree in B.Com. (Hons) from Hansraj College, Delhi University.</p> <p>She has a very wide experience in the statutes concerning Corporate Laws, Foreign Exchange Management Act, RBI related statues and laws and SEBI related laws and regulations. She is also</p>

	serving on the Board as Non-Executive Director of AMD Industries Ltd.
<b>Date of Appointment</b>	10/08/2022
<b>Expertise in Specific Functional Area</b>	Legal and corporate laws
<b>Disclosure of relationships between directors inter-se</b>	She is not related to any of the Directors on the Board of the Company
<b>Names of listed entities in which she holds the directorship as on 31.03.2022</b>	AMD Industries Limited
<b>Names of listed entities in which she holds Membership of Committees of the board as on 31.03.2022</b>	NA
<b>No. of equity shares held as on 31.03.2022</b>	NA
<b>Details of Remuneration</b>	NA
<b>No. of Meetings of the Board attended during the year</b>	NA
<b>Other Directorships</b>	-AMD Industries Limited -Nomenclature Engineering Private Limited
<b>Membership/ Chairmanship of Committees of other Boards</b>	<b>AMD Industries Limited</b> -Nomination and Remuneration Committee-Member -Stakeholders Relationship Committee-Chairperson -Corporate Social Responsibility Committee-Member

<b>Name of Director</b>	Mr. Amia Kumar Singh
<b>Director Identification No.</b>	06646842
<b>Date of Birth</b>	27/02/1982
<b>Brief Resume</b>	Mr. Amia Kumar Singh (DIN: 06646842) is a qualified Chartered Accountant. He is possessing expertise of over a decade in Finance Profession having around 11 years of comprehensive experience. He is very well versed in Taxation, International taxation and Transfer Pricing. Presently he is associated with Haier Appliances India Private Limited, as Deputy General Manager Taxation and awarded best employee of H-1, 2019 in Haier India.

	Further he was also associated with Ernst and Young, Hyderabad, India as Consultant Transfer Pricing & International Taxation and worked with Apollo Tyres Limited, as Associate Manager Taxation
<b>Date of Appointment</b>	31/08/2022
<b>Expertise in Specific Functional Area</b>	Finance and Taxation
<b>Disclosure of relationships between directors inter-se</b>	He is not related to any of the Directors on the Board of the Company
<b>Names of listed entities in which he holds the directorship as on 31.03.2022</b>	NA
<b>Names of listed entities in which he holds Membership of Committees of the board as on 31.03.2022</b>	NA
<b>No. of equity shares held as on 31.03.2022</b>	NA
<b>Details of Remuneration</b>	NA
<b>No. of Meetings of the Board attended during the year</b>	NA
<b>Other Directorships</b>	NA
<b>Membership/ Chairmanship of Committees of other Boards</b>	NA

## BOARD'S REPORT

**TO  
THE MEMBERS,**

Your Directors are pleased to present the 43<sup>rd</sup> Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended on 31<sup>st</sup> March, 2022.

### 1. FINANCIAL PERFORMANCE

(Rs. in Lakhs)

Particulars	For the year ended on 31 <sup>st</sup> March, 2022	For the year ended on 31 <sup>st</sup> March, 2021
Sales (Net of Indirect Taxes)	24008.27	15,410.12
Other Income	252.44	322.90
Operating Profit / (Loss) before Interest and Depreciation	5855.19	801.15
Interest/ Finance Cost	477.15	399.34
Depreciation	726.35	640.92
Exceptional Items – (Gain)/ Loss	-	-
Profit/(loss) before tax	4651.69	(239.11)
Tax expense	1423.31	(35.02)
Net Profit / (Loss)	3228.38	(204.09)
Other Comprehensive Income (Net of Tax)	4.90	18.20
Total Comprehensive Income	3233.28	(185.89)

### 2. PERFORMANCE AND STATE OF COMPANY AFFAIRS

Your Company has been able to produce 60083 MT of Caustic during the year against 59150 MT in the previous year. Further, the company has also commissioned the new Sodium Hypochlorite plant of 80 TPD capacity. The Company has initiated a plan to increase the Caustic soda capacity to 300 TPD and manufacturing of additional new products i.e. Stable Bleaching Powder (SBP) and Chlorinated Paraffin wax (CPW). The company has been able to maintain a healthy profitability and based on the current market scenario the trend is likely to continue well into the next year.

### 3. Marketing

Year 2021-22 has witnessed an upsurge in the demand for Chlor-alkali products after the Covid wave seen in first quarter. Our products performance are linked to country's GDP growth as caustic soda is used in Aluminium, paper, textile and other industries while co-

product chlorine is used in manufacturing of other chemicals used in different industries and in water treatment process. Production at the user industries was reasonably good which has resulted in enhanced demand for our products. Prices of caustic soda depends on the demand and supply condition within India and on international prices, chlorine prices are dependent on the local user conditions only. Caustic soda prices hiked substantially in line with international prices and the quantum driven by improved price realization during the year so the higher earnings were possible due to enhanced margins in the operations.

#### **4. Completion of Open Offer**

The Company had received a Public Announcement of Open Offer of the Company vide email dated 28<sup>th</sup> July, 2021, made by Corporate Professionals Capital Private Limited on behalf of Mr. Madhav Dhir, Ms. Srishti Dhir and Dhir Hotels and Resorts Private Limited ('Acquirers') to acquire 92,75,000 Equity Shares representing 36.87% of the Total Paid-up Share Capital of Lords Chloro Alkali Limited ('Target Company') at a price of INR 47.75 (Indian Rupees Forty Seven and Seventy Five Paise only) for each Equity Share of Target Company, pursuant to, and in compliance with, Regulation 3(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ('SEBI (SAST) Regulations, 2011').

However, 92,08,945 Equity shares have been acquired by way of open offer representing 36.61% of paid up share capital. Accordingly post offer shareholding of Acquirers along with person acting in concert is 1,87,95,556 Equity Shares out of total paid-up equity share capital i.e. 2,51,53,861 representing 74.72% of paid up share capital of the Company. The open offer have been successfully completed in the month of October, 2021.

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

Indian chemicals industry stood at US\$ 178 billion in 2019 and is expected to reach US\$ 304 billion by 2025 registering a CAGR of 9.3%. The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute US\$ 300 billion to India's GDP by 2025.

The Indian economy is growing at a healthy pace and is registering one of the highest growth rates in GDP. This has result in increased demand for company's products and based on the growth in economy the same trend is likely to continue for the coming year. Company is targeting to achieve optimum production level and sales realization in coming year. Sodium hypochlorite and other chlorine derivatives like CPW and SBP are to be added in existing product line to avoid price fluctuations of chlorine market to some extent. Also the proposed capacity addition in Caustic Soda is expected to add to top and bottom line of the company in coming years.

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

Pursuant to the provisions under Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of

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Association of Company, Ms. Sristhi Dhir, Non-Executive Director, is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and she has offered herself for re-appointment.

Shri Rajendra Prasad Chauhan (DIN: 01444662), Non-Executive Director of the Company has resigned from the Board/ Committee thereof w.e.f. 26<sup>th</sup> October, 2021 and he confirmed that there is no material reason of his resignation.

Shri Nitesh Anand has joined the Company on 1<sup>st</sup> September, 2021 as Company secretary cum Compliance officer in place of Shri Dipendra Chaudhary who resigned as Company Secretary cum Compliance Officer of the Company w.e.f. 20<sup>th</sup> August, 2021.

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

## **7. BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company in their meeting held on 11<sup>th</sup> February, 2022 had carried out the annual evaluation of their own performance, the Individual Directors (Including the Independent and Non-Independent Directors) as well as of their committees. The evaluation was carried out based on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and all stakeholders etc.

The Independent Directors of the Company in their separate meeting held on 11<sup>th</sup> February, 2022 reviewed the performance of the Non-Independent Directors and the Board as a whole. They also reviewed the performance of the Chairperson of the Company.

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

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link [www.lordschloro.com](http://www.lordschloro.com).

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

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

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

The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

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

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

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

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

## **11. COST RECORDS**

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

## **12. STATUTORY AUDITORS**

At the 42<sup>nd</sup> AGM of your Company, the members had approved the appointment of M/s Nemani Garg Agarwal & Co, Chartered Accountants (FRN-010192N) as Statutory Auditors of the Company, to hold office till the conclusion of 47<sup>th</sup> AGM subject to ratification by the Members at every Annual General Meeting.

However, pursuant to the amendment in Section 139 of the Companies Act, 2013, requirement of the ratification of the appointment of Statutory Auditors at every Annual General Meeting has been omitted and accordingly the proposal for the ratification of the M/s Nemani Garg Agarwal & Co, Chartered Accountants as Statutory Auditors has not been considered.

## **13. COST AUDITORS**

The provisions of section 148 of the Companies Act, 2013, read with Rules 4 & 5 of the Companies (Cost Audit and Record) Rules, 2014, for maintenance of Cost Records, Cost Audit are applicable to the Company for the financial year 2022-23.

The Board of Directors of your Company at its meeting held on 10<sup>th</sup> August, 2022, has on the recommendation of Audit Committee, had approved the appointment of M/s Goyal, Goyal & Associates, Cost Accountants as Cost Auditor of your Company to conduct the audit of cost records for the Financial Year 2022-23.

The remuneration proposed to be paid to the Cost Auditor subject to your ratification at the 42<sup>nd</sup> AGM will be Rs. 75,000/- (Rupees Seventy Five Thousand only) for the Financial Year 2022-23.

#### **14. SECRETARIAL AUDITOR**

Pursuant to the provisions of section 204 of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company had appointed M/s SSPK & Co., Practicing Company Secretary, as Secretarial Auditors to conduct Secretarial Audit of the Company for the financial year 2021-22. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2022 is annexed herewith as **Annexure C** to this Report.

#### **15. AUDITORS' OBSERVATIONS**

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

#### **16. SAFETY, ENVIRONMENT PROTECTION & POLLUTION CONTROL**

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

National Safety Council, Rajasthan State Chapter has also recognized our efforts by awarding the certificate towards standards of competence and compliance of Health, Safety and Welfare.

The company has also commissioned the new Sodium Hypochlorite plant of 80 TPD capacity thus eliminated the handling of lime powder and producing more useful and demanding product in the market as Sodium Hypochlorite.

Company is following Covid-19 protocol strictly and ensuring that the work environment is safe and hygienic. No one is allowed to enter the plant without taking booster dose.

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

During the Financial Year 2021-22, the Company has not declared any dividend and Rs.3,233.28 Lakhs has been transferred to General Reserve.

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

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

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

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

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

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

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

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

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

<b>Name of the Directors</b>	<b>Ratio to median remuneration</b>	<b>Remuneration in (Rs.)</b>
Shri Ajay Virmani	109.46	3,26,69,207
Ms. Srishti Dhir	-	-
Shri Madhav Dhir	12.09	36,07,000
Shri Pawan Kumar Nayyar	-	-
Shri Rajbir Singh Makhni	-	-
Ms. Poonam Bisht	-	-
Shri Deepak Mathur	12.27	36,63,112
Shri Sandeep Singh	-	-

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

<b>Name</b>	<b>% Increase</b>
Shri Ajay Virmani	218.99%

Shri Madhav Dhir	-
Shri Deepak Mathur	1.17%
Shri Rajiv Kumar (Chief Financial Officer)	9.11%
Shri Nitesh Anand* (Company Secretary)	-

\* Shri Nitesh Anand (Company Secretary) joined the company in the current financial year. So therefore, the percentage increase cannot be ascertained.

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

The percentage increase in the median remuneration of employees in the financial year was 15%.

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

The number of permanent employees on the rolls of the company at the end of financial year were 193.

**(e) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;**

Average percentile increase in the salaries of employees other than the managerial personnel is 2.68%. Average percentile increase in the salaries of managerial personnel is 111.05%.

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

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

Pursuant to the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee except Managing Director, who is employed throughout the financial year, was in receipt of remuneration of Rs. 1.33 crores (one crore and two lakh) or more per annum and

no employee who is employed for a part of the financial year, was in receipt of remuneration Rs. 8.5 lakhs ( eight lakhs fifty thousand) or more per month. Any member interested in obtaining the information of top-10 employee of the Company may write to the Company Secretary at the registered office or the corporate office of the Company.

**21. ANNUAL RETURN**

The Annual Return of the Company can be accessed on the website of the Company at following link <https://www.lordschloro.com/pdfs/annual-return-2021-22>. Pdf.

## **22. THE DETAIL OF APPLICATION MADE /PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

During the year under review the Company has not made any application during the year and no proceeding is pending under Insolvency & Bankruptcy Code, 2016 (IBC) as at March 31, 2022.

## **23. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

During the year under review the Company there has been no one-time settlement. Since there is no, One-Time Settlement, therefore there is no difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions

## **24. PUBLIC DEPOSITS**

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

## **25. CORPORATE GOVERNANCE REPORT**

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

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

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

## **26. RISK MANAGEMENT**

The Company has constituted a Risk Management Committee which ensures that the Company has an appropriate and effective Enterprise Risk Management system with

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appropriate policies and processes which carries out risk assessment and ensures that risk mitigation plans are in place by validating the same at regular intervals.

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

## **27. CORPORATE SOCIAL RESPONSIBILITY**

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

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

## **28. MEETINGS OF THE BOARD**

Five (5) meetings of the Board of Directors were held during the year. For further details, please refer section of Report on Corporate Governance of this Annual Report.

## **29. EXPIRATION OF TENURE OF INDEPENDENT DIRECTOR**

Members of the Company at the 38<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> September, 2017 approved the re-appointments of Mrs. Poonam Rawat, Shri Rajbir Singh Makhni and Shri Pawan Kumar Nayyar as an Independent Director on the Board of Directors of the Company pursuant to the provisions of section 149 of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014 to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from 30<sup>th</sup> September, 2017 to September, 30, 2022.

Accordingly, tenure of Mrs. Poonam Rawat, Shri Rajbir Singh Makhni and Shri Pawan Kumar Nayyar as an Independent Director on the Board of Directors of the Company is going to expire on ensuing Annual General Meeting to be held on September, 30, 2022.

Subject to the approval of shareholders in ensuing Annual General Meeting and to maintain the optimum composition of Board of Directors in terms of SEBI (LODR) Regulation, 2015, the Board of Director had appointed Ms. Sakshi Vashisth, Ms. Shubha Singh and Shri Amia Kumar Singh as an Independent Directors on the Board of Directors of the Company, in place above retiring Directors.

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

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

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

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

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

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

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

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

### **32. GENERAL**

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

### **33. DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended on March 31, 2022, the applicable Indian Accounting Standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the financial year ended on 31<sup>st</sup> March, 2022 and of the profit incurred by the Company for the year ended on that date;

- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a ‘going concern’ basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating.

### **32. ACKNOWLEDGEMENT**

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

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

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

**Place : New Delhi**  
**Date: 10.08.2022**

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

**Madhav Dhir**  
**Whole Time Director**  
**DIN: 07227587**

**POLICY FOR THE SELECTION AND APPOINTMENT OF DIRECTORS TO THE BOARD**

**Policy**

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

**Procedure**

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

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

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

**Criteria**

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

**Criteria for Independent Director**

1. For the purpose of this clause, the expression 'independent director' shall mean a non-executive director, other than a nominee director of the company:
  - a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
  - b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company or member of the promoter group of the listed entity;  
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
  - c. apart from receiving director's remuneration, has or had no material pecuniary relationship with the company, its holding, subsidiary or associate company, or their

promoters, or directors, during the two immediately preceding financial years or during the current financial year;

- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount

as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

- e. who, neither himself nor any of his relatives —
- (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
  - (iii) holds together with his relatives two percent or more of the total voting power of the company; or
  - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company;
  - (v) is a material supplier, service provider or customer or a lessor or lessee of the company;
- f. who is less than 21 years of age.
- g. who is not a non-independent director of another company on the board of which any non-independent director of the Company is an independent director.

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

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

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

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

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

## **Nomination and Remuneration Policy**

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

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

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

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

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

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

### **1. Purpose**

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

### **2. Accountabilities**

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

### **3. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee is responsible for:

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

The Nomination and Remuneration Committee comprises of the following:

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

#### **CHAIRMAN**

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the Members' queries.

## COMMITTEE MEMBERS' INTERESTS

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

## VOTING

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

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

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

- Assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
- The extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company;
- The skills and experience that the appointee brings to the role of KMP/Senior Official and how an appointee will enhance the skill sets and experience of the Board as a whole;
- The nature of existing positions held by the appointee including directorships or other relationships and
- The impact they may have on the appointee's ability to exercise independent judgment;

4.2 Personal specifications to be broadly considered:

- Holding relevant education qualification in relevant disciplines;
- Experience of management in a diverse organization;
- Excellent interpersonal, communication and representational skills;

- Demonstrable leadership skills;
- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
- Having continuous professional development to refresh knowledge and skills.

## 5. Letters of Appointment

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

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

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

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

### i) Remuneration:

#### a) Base Compensation (fixed salaries)

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

#### b) Variable salary:

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

6.1 The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be

approved by the members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other directors.

6.2 The remuneration payable to the Directors shall be as per the Company's policy and shall be valued as per the Income Tax Rules.

6.3 The remuneration payable to the Key Managerial Personnel and the Senior Management shall be as may be decided by the Board having regard to their experience, leadership abilities, initiative taking abilities and knowledge base.

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

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

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

**Annexure C**

**SECRETARIAL AUDIT REPORT  
(FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2022)**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **the Company** for the period ended on March 31, 2022 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder, as applicable;
- II. The Secretarial Standards issued by the Institute of Company Secretaries of India;
- III. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- IV. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- V. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- VI. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - g. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - h. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and
  - i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;.

The Company had received a Public Announcement of Open Offer of the Company vide email dated 28<sup>th</sup> July, 2021, made by Corporate Professionals Capital Private Limited (hereinafter referred to as 'Manager to the Offer') on behalf of Mr. Madhav Dhir, Ms. Srishti Dhir and Dhir Hotels and Resorts Private Limited ('Acquirers') to acquire 92,75,000 Equity Shares representing 36.87% of the Total Paid-up Share Capital of Lords Chloro Alkali Limited ('Target Company') at a price of INR 47.75 (Indian Rupees Forty Seven and Seventy Five Paise only) for each Equity Share of Target Company, pursuant to, and in compliance with, Regulation 3(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ('SEBI (SAST) Regulations, 2011').

However, 92,08,945 Equity shares have been acquired by way of open offer representing 36.61% of paid up share capital. Accordingly post offer shareholding of Acquirers along with person acting in concert is 1,87,95,556 Equity Shares out of total paid-up equity share capital i.e. 2,51,53,861 representing 74.72% of paid up share capital of the Company.

The open offer have been completed in the month of October, 2022.

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

- a. Environment Protection Act, 1986.

- b. The Water (Prevention & Control of Pollution) Act, 1974 read with Water (Prevention & Control of Pollution) Rules, 1975
- c. The Air (prevention & Control of Pollution), 1981 read with Air (Prevention & Control of Pollution) Rules, 1982
- d. Explosives Act, 1884
- e. Manufacture Storage & Import of Hazardous and Chemicals Rules, 1989
- f. Public Liability Insurance Act, 1991, as amended
- g. Gas Cylinder Rules, 2004, 2016
- h. The Hazardous wastes (Management, Handling & Trans boundary Movement) Rules, 2008
- i. The Static and Mobile Pressure Vessels (Unfired) Rules 1981, 2016

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

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

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

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

**We further report that** based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

**Place: Delhi**  
**Date: 9<sup>th</sup> August, 2022**

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

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

UDIN : F010272D000769426

**Annexure A to Secretarial Audit Report**

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

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial record and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Delhi  
Date: 9<sup>th</sup> August, 2022**

**For SSPK & Co.  
Company Secretaries**

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

**ANNEXURE D**

**Form - A**

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

**A. CONSERVATION OF ENERGY**

- After adoption of latest Zero gap technology, the company has a fixed tenure membrane replacement schedule to keep the power consumption in check. Last financial year also company replaced complete 150 membranes in AKCC jumbo electrolyser.
- Entire electrical distribution network is being monitored periodically to avoid losses in distribution system and a continuous upgradation plan is under way.
- Regular energy audits are being conducted.

Your company has successfully completed the cycle-V of PAT (Perform, Achieve and Trade). Under the guidelines of statutory body of BEE (Bureau of Energy Efficiency), saving of 0.0124 TOE/T over the target (Target SEC – SEC achieved) is achieved and thus your company is issued the Energy Saving Certificate of 534 TOE. This has been verified during the M&V audit.

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

**B. TECHNOLOGY ABSORPTION & INNOVATION**

Technology upgradation and training on energy conservation are continuous practice in the company. In the last FY, company has commissioned the new Sodium Hypochlorite plant of 100 tons capacity and stopped conventional technology of absorbing waste chlorine in lime solution producing Calcium Hypochlorite.

**C. ASSISTANCE TO ANCILLARY INDUSTRIES**

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

**FORM- B**

**FOREIGN EXCHANGE EARNING AND OUTGOING**

The total foreign exchange earned and used:

(Rs. in Lakhs)

		<b>For the year ended on 31<sup>st</sup> March, 2021</b>	<b>For the year ended on 31<sup>st</sup> March, 2022</b>
(i)	Earned	0.00	0.00
(ii)	Used	2.81	338.20

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

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

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

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

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

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

S. No	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/ transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
	(a)	(b)	(c)	(d)	(e)	(f)
1	Cirrus Chemicals Private Limited  Ms. Srishti Dhir (Non-Executive Director), and Mr. Madhav Dhir (Whole-time Director) are indirectly related as their relatives are shareholders in Cirrus Chemicals Private Limited	Sale & Purchase of Hydrogen gas, caustic soda lye, caustic soda flakes and allied products	To be executed ( for 10 Years)	Hydrogen Gas & Caustic Soda Lye Rs. 799.51 Lakhs	17.08.2017	Nil

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

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

**Place : New Delhi  
Date : 10.08.2022**

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

**REPORT ON CSR ACTIVITIES FOR THE FY 2021-22**

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

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

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

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

**2. Composition of CSR Committee as on 31<sup>st</sup> March, 2022**

Sl. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee Held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Ajay Virmani	Chairman- Executive Director	1	1
2.	Shri Madhav Dhir	Member- Executive Director	1	1
3.	Ms. Poonam Bisht	Member- Independent Director	1	1

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: [lordschloro.com/pdfs/lcal-csr-policy.pdf](http://lordschloro.com/pdfs/lcal-csr-policy.pdf).

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

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

6. Average net profit of the company as per section 135(5): Rs. 1,423.23 Lakhs.

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 28.46 Lakhs
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (c) Amount required to be set off for the financial year, if any: NIL
- (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 28.46 Lakhs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (Rs. in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135 (5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
<b>29.00</b>	-	-	-	-	-

Note: \*Unspent CSR amount pertaining to previous years spent during FY 2021-22.

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

1.	2.	3.	4.	5.		6.	7.	8.	9.	10.	11.	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project Duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.						NA				(IN Rs)		
	TOTAL											

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

1.	2.	3.	4.	5.		6.	7.	8.	
Sl. No.	Name of The Project	Item from the list of activities in schedule VII to the Act.	Local Area (Yes/No).	Location of the project.		Amount spent for The project (Rs.in Lakhs).	Mode of Implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name.	CSR registration number
1.	Mata Krishnawanti Memorial Education Society (REGD)'' Richmond Global School Campus, N.S Road, Opp. Inder Enclave Mianwali Nagar, Paschim Vihar-110087	promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the	Yes	New Delhi		25	No	MATA KRISHNAWANTI MEMORIAL EDUCATIONAL SOCIETY- CSR00006897	

		differently abled and livelihood enhancement projects					
2.	Karuna Care Foundation, A605, Sarita Vihar, New Delhi-110076	Protection of flora and fauna, animal welfare.	Yes	New Delhi	2	Direct	NA
3.	कार्यालय उपवन संरक्षक अलवर (Deputy Conservator of Forest, Alwar)	Environmental sustainability	No	Alwar, Rajasthan	2	Direct	NA

- (d) Amount spent in Administrative overheads  
(e) Amount spent on Impact Assessment, if applicable  
(f) Total amount spent for the Financial Year (8b+8c+8d+8e):  
(g) Excess amount for set off, if any

SL. No.	Particular	Amount (in Rs.)
<b>I.</b>	Two percent of average net profit of the company as per section 135(5)	<b>28.46 Lakhs</b>
<b>II.</b>	Total amount spent for the Financial Year	<b>29 Lakhs</b>
<b>III.</b>	Excess amount spent for the financial year [(ii)-(i)]	<b>0.54 Lakhs</b>
<b>IV.</b>	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
<b>V.</b>	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. in Lakhs.)	Amount spent in the reporting Financial Year Rs. in Lakhs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining To be spent in succeeding financial years. (Rs. Name in Lakhs.)
				Name of Fund	Amount (in Rs.)	Date of transfer	
1.	2019-20	-					
2.	2018-19	-					
3.	2017-18	-					

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

1.	2.	3.	4.	5.	6.	7.	8.	9.
Sl. No.	Project ID	Name of The Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial	Cumulative amount spent at the end of reporting Financial Year. (in	Status of the project - Completed/ Ongoing.

						Year (in Rs.)	Rs.)	
1	-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s): NA
- (b) Amount of CSR spent for creation or acquisition of capital asset: NA
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. NA
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

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

**(Rajiv Kumar)**  
**CFO**

## CORPORATE GOVERNANCE REPORT

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

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

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

Your Company confirms compliance with the Corporate Governance requirements stipulated in the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015, the details of which for the Financial Year ended 31<sup>st</sup> March 2022 are as set out hereunder.

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

### 2. Board of Directors

#### A. Composition of Board

- i) At present the Board has an optimum combination of executive, non-executive and Independent directors, comprising of experts from various fields/professions, consisting of 8 (Eight) Directors. Out of these 3 (Three) are Executive Directors, 1 (One) Non-Executive Directors and 4 (Four) are Non-Executive Independent Directors.
  - ii) The composition of the Board of Directors is in conformity with the provisions under Regulation 17 of Listing Regulations and the Companies Act, 2013 ("the Act").
  - iii) The Directors are eminent persons with professional expertise and experience. The Independent Directors of the Company meet all the criteria mandated by Regulation 25 of the Listing Regulations and Section 149 of the Act.
  - (iv) All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013 (Act). In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management. The maximum tenure of Independent Directors is in accordance with the Act.
-

## B. Board Meetings

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

## C. Membership, Attendance and Other Directorship

The composition of the Board and attendance of each director at Board Meetings held during the financial year ended on 31<sup>st</sup> March, 2022 and last Annual General Meeting and number of other Directorships and Chairmanship / Membership of Committees of the Board are as under:

Sl. No.	Name of Directors	Attendance		Category	Directorship in Other Public Co.*	Committee**		List of Directorship held in Other Listed Companies and Category of Directorship
		Board Meeting	Last AGM			Chairman	Member	
1.	Shri Ajay Virmani (Managing Director)	5	N	Executive Director	-	-	2	-
2.	Ms. Srishti Dhir	2	N	Promoter & Non-Executive Director	-	1	-	-
3.	Shri Madhav Dhir (Whole Time Director)	5	N	Promoter & Executive Director	-	-	-	-
4.	Ms. Poonam Bisht	5	N	Independent Director	-	-	-	-
5.	Shri Rajbir Singh Makhni	5	Y	Independent Director	-	1	1	-
6.	Shri Pawan Kumar Nayyar	2	N	Independent Director	-	-	-	-
7.	Shri Sandeep Singh	5	N	Independent Director	1	-	1	-C.J. Gelatine Products Limited-Independent Director
8.	Shri Deepak Mathur (Whole-time Director)	4	Y	Executive Director	-	-	-	-

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

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

## D. During the financial year 2021-22, five (5) Board Meetings were held on the following dates:

<b>28<sup>th</sup> June, 2021</b>	<b>15<sup>th</sup> July, 2021</b>	<b>23<sup>rd</sup> August, 2021</b>	<b>11<sup>th</sup> November, 2021</b>	<b>9<sup>th</sup> February, 2022</b>
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**E. Disclosure of relationships between directors inter-se:**

Shri Madhav Dhir (Promoter & Executive Director) is brother of Ms. Srishti Dhir (Promoter & Non-Executive Director). None other directors are related to any other director on the Board.

**F. As on 31<sup>st</sup> March, 2022, Ms. Srishti Dhir, Non-Executive Director, holds 40,85,694 Equity share of the Company.**

**G. Familiarization programs of independent Directors**

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

**Independent Directors' Meeting:**

During the year under review, the Independent Directors met on 9<sup>th</sup> February, 2022 without the attendance of Non-Independent Directors and members of the management, *inter alia*, to discuss on the following:

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

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

Sl. No.	Directors	Areas of Core Skills/Expertise/Competence					
		Leadership	Chemicals Manufacturing	Engineering	Financials	Sales and Marketing	Compliance Management
1.	Shri Ajay Virmani	✓	✓		✓	✓	✓
2.	Ms. Srishti Dhir	✓			✓	✓	✓
3.	Shri Madhav Dhir	✓	✓		✓	✓	✓
4.	Ms. Poonam Bisht	✓					✓
5.	Shri Rajbir Singh Makhni				✓		✓
6.	Shri Pawan Kumar Nayyar	✓					✓
7.	Shri Sandeep Singh	✓					✓
8.	Shri Deepak Mathur	✓	✓	✓			✓

- i. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013 (Act). In the opinion of the Board, all the Independent Directors fulfil the conditions specified

in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management. The maximum tenure of Independent Directors is in accordance with the Act.

- j. During the year under review, Shri Rajendra Prasad Chauhan, Independent Directors, has resigned from the directorship of the Company w.e.f. 26<sup>th</sup> October, 2021. He confirmed that there is no other material reasons of his resignation.

### **BOARD COMMITTEES**

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

#### **3. Audit Committee:**

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

#### **The terms of reference of Audit Committee**

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

1. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. examination of the financial statement and the auditors' report thereon;
4. approval or any subsequent modification of transactions of the company with related parties;
5. scrutiny of inter-corporate loans and investments;
6. valuation of undertakings or assets of the company, wherever it is necessary;
7. evaluation of internal financial controls and risk management systems;
8. monitoring the end use of funds raised through public offers and related matters.
9. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
10. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
11. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
12. reviewing, with the management, the quarterly financial statements before submission to the board for approval;

13. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
14. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process
15. valuation of undertakings or assets of the Company, wherever necessary.
16. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
17. discussion with internal auditors of any significant findings and follow up there on;
18. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
19. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
20. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. to review the functioning of the whistle blower mechanism;
22. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
23. To perform such other functions as may be prescribed by the Companies act, 2013 or the SEBI Listing Regulations, as amended or under any other law or as may be prescribed or specified by the Board from time to time.

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

### **Composition & Meetings:**

As on 31<sup>st</sup> March 2022, the composition of the Audit Committee are as follows:-

<b>Sl. No.</b>	<b>Name</b>	<b>Category</b>	<b>Designation</b>
1.	Shri Rajbir Singh Makhni	Independent Director	Chairman
2.	Shri Ajay Virmani	Executive Director	Member
3.	Shri Sandeep Singh	Independent Director	Member

\*Due to resignation from directorship, Shri Rajendra Prasad Chauhan on 26<sup>th</sup> October, 2021, Shri Chauhan ceased to be member of the Audit Committee. Further, Shri Sandeep Singh was inducted as member of the Audit Committee w.e.f. 11<sup>th</sup> November, 2021.

The Audit Committee met five (5) times during the financial year 2021-22 on the following dates:

<b>28<sup>th</sup> June, 2021</b>	<b>15<sup>th</sup> July, 2021</b>	<b>23<sup>rd</sup> August, 2021</b>	<b>11<sup>th</sup> November, 2021</b>	<b>9<sup>th</sup> February, 2022</b>
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As on 31<sup>st</sup> March 2022, Attendance of the members at the meetings held was as follows:

Sl.No.	Name	Nos. of Meeting held	Nos. of Meeting Attended
1.	Shri Ajay Virmani	5	5
2.	Shri Rajbir Singh Makhni	5	5
3.	Sandeep Singh	5	2
4.	Shri Rajendra Prasad Chauhan*	5	2

\*Due to resignation of Shri Rajendra Prasad Chauhan from directorship on 26<sup>th</sup> October, 2021, Shri Chauhan ceased to be member of the Audit Committee. Further, Shri Sandeep Singh was inducted as member of the Audit Committee w.e.f. 11<sup>th</sup> November, 2021 in place of Shri Rajendra Prasad Chauhan.

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

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

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

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

#### Composition & Meetings:

Committee consists of three Directors and two of them are Independent Directors and one is Non-Executive Directors.

As on 31<sup>st</sup> March 2022, the composition of the Nomination and Remuneration Committee are as follows:

Sl. No.	Name	Category	Designation
1.	Rajbir Singh Makhni	Independent Director	Chairman
2.	Srishti Dhir	Non-Executive Director	Member
3.	Sandeep Singh	Independent Director	Member

The Committee met Two (2) times during the financial year 2021-22 on the following dates:

23 <sup>rd</sup> August, 2021	9 <sup>th</sup> February, 2022
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As on 31<sup>st</sup> March 2022, Attendance of the members at the meetings was as follows:

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

\*Due to resignation from directorship, Shri Sandeep Chaudhari on 18<sup>th</sup> August, 2021, Shri Chaudhari ceased to be member of the Nomination and Remuneration Committee.

\*\*Further, Ms. Poonam Bisht -Non-Executive Independent Director was also the member of Nomination and Remuneration committee. However, w.e.f. 23.08.2021 Shri Sandeep Singh-Non-Executive Independent Director, was inducted as member of Nomination and remuneration committee in place of Ms. Poonam Bisht.

### 5. Remuneration of Directors:

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

(Amount in Rs.)

S. No.	Directors	Name of Directors		
		Shri Ajay Virmani (Managing Director)	Shri Madhav Dhir (Executive Director)	Shri Deepak Mathur (Executive Director)
1.	Basic salary	64,80,000.00	24,00,000.00	16,70,624.00
2.	Allowance (S)	62,16,000.00	12,00,000.00	19,85,488.00
3.	Bonus	7,000.00	7,000.00	7,000.00
4.	Incentive(s)	1,99,66,207.00	0.00	0.00
5.	<b>Total</b>	<b>3,26,69,207.00</b>	<b>36,07,000.00</b>	<b>36,63,112.00</b>

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

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

### 6. Stakeholders Relationship Committee (SRC)

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

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

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

### Composition & Meetings:

As on 31<sup>st</sup> March, 2022, the composition of the Stakeholders and Relationship Committee are as follows:

Sl. No.	Name	Category	Designation
1.	Srishti Dhir	Non-Executive Director	Chairperson
2.	Ajay Virmani	Executive Director	Member
3.	Rajbir Singh Makhni	Independent Director	Member

The Committee met Four (4) times during the financial year 2021-22 on the following dates:

28 <sup>th</sup> June, 2021	15 <sup>th</sup> July, 2021	11 <sup>th</sup> November, 2021	9 <sup>th</sup> February, 2022
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As on 31<sup>st</sup> March 2022, Attendance of the members at the meetings was as follows:

Sl. No.	Name of Member	Nos. of Meeting held	No. of Meeting attended
1.	Ms. Srishti Dhir	4	2
2.	Shri Rajbir Singh Makhni	4	4
3.	Shri Ajay Virmani	4	4

### Compliance Officer

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

### Investor Grievance Redressal

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

Sl. No.	Status of Complaints	Status
1.	Complaints pending as on 01.04.2021	0
2.	Complaints received during the year 2021-22	1
3.	Complaints resolved during the year 2021-22	1
4.	Complaints pending as on 31.03.2022	0

## 7. Risk Management Committee –

### Risk and Concerns

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

### Risk Management

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

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

The Company has identified

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

During the Financial Year 2021-22 a meeting of Risk Management Committee was held on 9<sup>th</sup> February, 2022.

As on 31<sup>st</sup> March 2022, the composition of the Risk Management Committee is as follows:

Sl. No.	Name	Category	Designation
1.	Shri Ajay Virmani	Executive Director	Chairperson
2.	Ms.Srishti Dhir	Non- Executive Director	Member
3.	Shri Madhav Dhir	Executive Director	Member
4.	Shri Deepak Mathur	Executive Director	Member

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

Company has constituted Corporate Social Responsibility Committee, under the provisions of Section 135 of Companies Act, 2013, to formulate & recommend CSR policy for the Company to the Board. The CSR Committee is responsible to recommend the budget/expenditure as may

be needed for the financial year and monitor the execution of CSR Policy of the Company and if required, to recommend modification in CSR Policy to Board.

During the Financial Year 2021-22 one meeting of Corporate Social Responsibility Committee was held on 9<sup>th</sup> February, 2022.

As on 31<sup>st</sup> March, 2022, the composition of CSR Committee is as follows:

Sl. No.	Name	Category	Designation
1.	Shri Ajay Virmani	Executive Director,	Chairperson
2.	Shri Madhav Dhir	Executive Director,	Member
3.	Ms. Poonam Bisht	Independent Director	Member

## 9. Annual General Body Meeting

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

Financial Year	Annual General Meeting		Time	Venue
	No.	Date		
2020-21	42 <sup>nd</sup>	28 <sup>th</sup> September, 2021	11.00 A.M.	SP-460, Matsya Industrial Area, Alwar, (Raj)-301030
2019-20	41 <sup>st</sup>	30 <sup>th</sup> December, 2020	11.00 A.M.	SP-460, Matsya Industrial Area, Alwar, (Raj)-301030
2018-19	40 <sup>th</sup>	30 <sup>th</sup> September, 2019	10.30 AM	SP-460, Matsya Industrial Area, Alwar, (Raj)-301030

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

### 42<sup>nd</sup> Annual General Meeting (28<sup>th</sup> September, 2021)

- To consider and approve the payment of remuneration to Shri Madhav Dhir (DIN: 07227587), Whole Time Director of the Company.
- To re-appoint and payment of remuneration to Shri Deepak Mathur (DIN: 07092786), as Director (Technical) of the Company

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

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

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

- No special resolution was passed.

### Special Resolution passed through Postal Ballot:

During the Financial year 2021-22, under review no Special Resolution has been passed through Postal Ballot.

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

## 10. Means of Communications

The Unaudited Quarterly / Half Yearly/Yearly Financial Results of the Company are published in English and local language newspapers as required under the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and intimation of the same also sent to Stock Exchanges from time to time. The aforesaid results are also available on the Website of the

Company [www.lordschloro.com](http://www.lordschloro.com). Management discussion and analysis form as a part of annual report and is given in a separate chapter thereto.

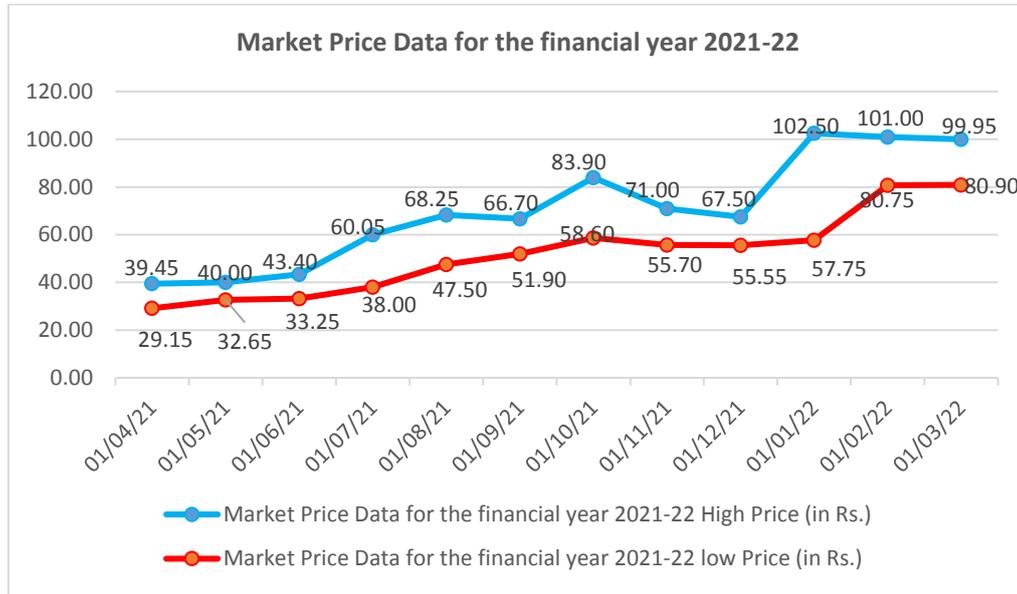
## 11. General Shareholder information

- i) Day, Date & Time of AGM** : Friday, 30<sup>th</sup> September, 2022 at 11.00 A.M.  
**Venue of AGM** : Regd. Off. - SP-460, Matsya Industrial Area, Alwar (Raj.)- 301030
- ii) Financial Year** : 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022
- iii) Book Closure Period** : Tuesday, 27<sup>th</sup> September, 2022 to Friday, 30<sup>th</sup> September, 2022 (Both days Inclusive)
- iv) E-voting period** : Monday, 26<sup>th</sup> September, 2022 (9.00 A.M. IST) to Thursday, 29<sup>th</sup> September, 2022 (5.00 p.m)
- v) Listing of Shares** : BSE Limited
- vi) Stock Code** : 500284 (BSE Ltd.)  
**Scrip id** : LORDSCHLO  
**ISIN NO.** : INE846D01012
- vii) Registrar & Share Transfer Agent** : M/s. Alankit Assignments Limited, "Alankit Heights" 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi - 110 055.  
Phone No. 011-42541234, 23541234  
Fax No. 011-41543474.  
Email: [rta@alankit.com](mailto:rta@alankit.com), [maheshcp@alankit.com](mailto:maheshcp@alankit.com)
- viii) Plant location** : SP-460, Matsya Industrial Area, Alwar (Raj.)- 301030
- ix) Addresses for Correspondence** : 1) Registered Office: SP-460, Matsya Industrial Area, Alwar, (Raj.)- 301030  
2) Corporate Office: A-281, Ist Floor, Defence Colony, New Delhi - 110024.
- x) Compliance Officer** : Shri Nitesh Anand  
**Email id :** : [secretarial@lordschloro.com](mailto:secretarial@lordschloro.com)
- xi) Market Price Data**

Months	High Price (in Rs.)	low Price (in Rs.)
Apr-21	39.45	29.15
May-21	40.00	32.65
Jun-21	43.40	33.25
Jul-21	60.05	38.00
Aug-21	68.25	47.50
Sep-21	66.70	51.90
Oct-21	83.90	58.60
Nov-21	71.00	55.70

Dec-21	67.50	55.55
Jan-22	102.50	57.75
Feb-22	101.00	80.75
Mar-22	99.95	80.90

Source: BSE Website



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

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

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

### **xiii) Listing**

The Equity Shares of the Company is listed with BSE Ltd. The Company has paid listing fees to the BSE Ltd. upto the year 2021-22. The Company is regularly complying with all the compliances pertaining to SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

Annual Custodial fees for the year 2021-22 has been paid by the Company to NSDL & CDSL.

### **xiv) MD and CFO Certification**

As required under Regulation 17(8) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, necessary certificate, obtained from Managing Director and CFO of the Company for the financial year ended on 31<sup>st</sup> March, 2022 was placed before the Board of

Directors of the Company.

**xiv) Dematerialization of Shares as on 31<sup>st</sup> March, 2022**

Particulars	Shares on 31 <sup>st</sup> March, 2022	%
Physical Shares	1390386	5.53
NSDL	22343969	88.83
CDSL	1419506	5.64
<b>Total</b>	<b>25153861</b>	<b>100</b>

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

Particulars	LCAL Share Price v/s BSE	
	Share Price	BSE Sensex
As on 1 <sup>st</sup> April, 2021	31.65	50,029.83
As on 31 <sup>st</sup> March, 2022	95.00	58,568.51
Changes (%)	200.16%	17.07%

**xvi) Distribution of Shareholding as on 31<sup>st</sup> March, 2022**

Category	No. of Shareholders	% of Shares
1-5000	42916	99.91
5001-10000	11	0.03
10001-20000	6	0.01
20001-30000	2	0.00
30001-40000	1	0.00
40001-50000	1	0.00
50001-100000	3	0.01
100001 and above	16	0.04
<b>Total</b>	<b>42956</b>	<b>100.00</b>

**12. Disclosures**

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

All transactions entered into with related parties as defined under the Companies Act, 2013 and the Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Details of related party transactions are furnished under schedule to the 'Notes to Accounts' of the Financial Statement as at 31<sup>st</sup> March, 2022.

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

b) Disclosure regarding non-compliance, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years has been given below:

Further, during the year under review, no files/penalty has been imposed by SEBI on the company for non-compliance of Regulation 33 of the SEBI (LODR) Regulations, 2015.

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

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

d) The Company has complied with all the mandatory requirements of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. As regard the non-mandatory requirements, Company tries to implement them to the extent possible.

e) The Company has not raised any funds through qualified institutions placement and also there are no unutilized amount w.r.t. the funds raised by the Company through preferential allotment as specified under Regulation 32 (7A) of SEBI Listing Regulations during the year.

e) The Company has obtained a certificate from M/s SSPK & Co., Company Secretaries, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such other Statutory Authority.

f) During the year under review, all recommendation of the Committees of the Board which were mandatorily required have been accepted by the Board.

g) In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, no complaint pertaining to sexual harassment at workplace has been reported to the Committee during the financial year ended 31<sup>st</sup> March, 2022.

h) During the year under review, total fees for all services paid by the Company to the statutory auditor is Rs. 4,05,000/-plus GST.

### **13. Code of Conduct**

Your Company has adopted a Code of Conduct for all the Board Members and Senior Management Personnel of your Company in accordance with the requirement under Regulation 17 of the Listing Regulations. The Code of Conduct has been posted on the website of your Company. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year 2021-22. A declaration to this effect received under clause D of Schedule V of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 was obtained from Shri Ajay Virmani, Managing Director of the Company.

### **14. Compliance Certificate**

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

## **CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE**

**To,  
The Members,  
Lords Chloro Alkali Limited**

We have examined the compliance of conditions of Corporate Governance by M/s. Lords Chloro Alkali Limited (the “Company”), for the year ended March 31, 2022 as stipulated in Chapter IV and Schedule V of the Securities & Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“Listing Regulation”), as applicable.

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

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

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the said Clause of the above mentioned Listing Regulations.

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

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

**Date: 31.08.2022**

**Place: Delhi**

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

**UDIN: F010272D000892771**

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

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31<sup>st</sup> March, 2022.

**Place: New Delhi  
Date: 31<sup>st</sup> August 2022**

**Sd/-  
Ajay Virmani**

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## Management Discussion and Analysis

### 1. Industry structure and developments

In the year 2020, due to the COVID-19 pandemic, the global lockdown impacted the chemical industry in a many ways. Sudden interruption in manufacturing operations, disruptions in supply chain, uncertainty in demand, restrictions on workforce movement and unprecedented closure of plants all these issues came as a big hurdle to the industry, especially for those companies who depended mostly on manual operations.

After COVID-19 pandemic, economy around the world registered a strong recovery and is also expected to grow in coming future. Further, India's chemicals business is also expected to grow due to the increase in the demand. According to estimates, the Indian economy is expected to grow around 8% in near future subject to normalization of economic activities around the world. Global industry has also expected to grow around 6% in near future. Further, Chemical Industry has been modernizing and increasing production capacity through new generation technologies. Improvement in quality of Chemical produced will also help the Chemical Industries to emerge as World class Chemical industry, which will be ready to take on global competition.

### 2. Opportunities and Threats

The Company has its manufacturing facilities in the NCR at a distance of 160 KMS from Delhi. The location of the plant is such that it is able to cater to markets in North and Western part of India. We supply our products to paper, soap, dyes, chemicals, and plastic industries based in UP, Haryana, Punjab, Rajasthan, Gujarat & Delhi.

Further to take advantage of the opportunities in the market, the company is implementing few new products for captive consumption of Chlorine viz. CPW and SBP and also increasing the installed capacity for Caustic soda to 300TPD from 210 TPD.

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

The Company is operating in only one segment i.e. Chloro Alkali. The company was able to achieve a production of 60083 tons of Caustic during the year. The turnover of the company was Rs.240.08 Crores for the year against Rs.154.1 Crores for the previous year. The profitability has taken a quantum jump to Rs.32.28 crores from a net loss of Rs.2.04 Crores a year before.

### 4. Outlook

The company is looking at a promising future outlook. On a macro level the chemical sector globally and at India level is doing very well. The Indian chemicals industry stood at US\$ 178 billion in 2019 and is expected to reach US\$ 304 billion by 2025 registering a CAGR of 9.3%. The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute US\$ 300 billion to India's GDP by 2025.

Demand for company's products will further increase in second half of the coming year. Company is targeting to achieve optimum production level and sales realization in coming

year. Sodium hypochlorite and other chlorine derivatives are to be added in existing product line to avoid price fluctuations of chlorine market to some extent. Also the plan to enhance the caustic capacity by addition of one Electroyser is already under implementation which will take the enhanced capacity to 300tpd.

## 5. Risks and concerns

Your Company is continuously making endeavours to have safe operations by training and conducting various safety audits/ mock drills. National Safety Council, Rajasthan State Chapter has also recognized our efforts by awarding the certificate towards standards of competence and compliance of Health, Safety and Welfare.

The company has also commissioned the new Sodium Hypochlorite plant thus eliminated the handling of lime powder.

Company is following Covid-19 protocol strictly and ensuring that the work environment is safe and hygienic. No one is allowed walkin enter the plant without taking booster dose.

## 6. Internal control systems and their adequacy

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

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

The total revenue from operations was Rs. 24,008.27 Lakhs during the year which was 55.80% increased as compared to total revenue from operations of Rs. 15,410.12 Lakhs previous year. The revenue has increased due to increase in price and demand of caustic soda in India.

## 8. Human Resources

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

### 1. Key Financial Ratio Analysis

Particulars	FY 2021-22	FY 2020-21
Current Ratio	2.73	1.30
Debt-to-Equity Ratio	0.72	1.14
Debt Service Coverage Ratio	2.86	1.61
Return on Equity Ratio	0.28	-0.02

Inventory Turnover Ratio	13.02	8.42
Receivables turnover	13.47	8.04
Trade Payable Turnover Ratio	166.55	89.21
Net Capital Turnover Ratio	8.77	10.36
Net Profit Margin Ratio (%)	13.45%	-1.32%
Return on Capital Employed	0.29	0.01
Return on Investment (%)	27.03%	0.91%

### **Detailed explanation of Ratios:**

#### **Current Ratio**

Current Ratio has improved as compared to previous year due to increase in Turnover and improved in margin.

#### **Debt-to-Equity Ratio**

Debt Equity ratio has improved due to increase in net worth and decrease in debt as compared to previous year.

#### **Debt Service Coverage Ratio**

DSCR has significantly improved due to higher profit in current year.

#### **Return on Equity Ratio**

Return on Equity has significantly improved due to higher profit in current year

#### **Inventory Turnover Ratio**

Inventory Turnover has improved due to increase in selling price and better inventory management.

#### **Receivables turnover**

Receivables Turnover has improved due to increase in selling price and better management of debtors.

#### **Trade Payable Turnover Ratio**

Trade Payable Turnover Ratio has decreased due to shrink in credit period of suppliers and strict market condition.

#### **Net Capital Turnover Ratio**

Net Capital Turnover Ratio has decreased due to surplus fund available on account of significant increase in profitability in current year.

#### **Net Profit Margin Ratio (%)**

Net Profit Margin Ratio has improved due to significant increase in turnover and profitability in current year.

### **Return on Capital Employed**

Return on Capital Employed Ratio has increased due to significant increase in turnover and profitability in current year.

### **Return on Net Worth**

Return on Investment Ratio has increased due to significant increase in turnover and profitability in current year.

### **Return on Investment Ratio**

Return on Investment Ratio has increased due to significant increase in turnover and profitability in current year.

### **Cautionary Statement**

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

**Independent Auditors' Report**

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

**Opinion**

We have audited the accompanying financial statements of Lords Chloro Alkali Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Emphasis of Matters**

We draw attention to:

- a) Note No. 45 of the financial statements, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the management.

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a

separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<b>Borrowings</b>	
<p>As at March 31, 2022, the Company had a borrowing liability of Rs. 3,477.68 Lakhs representing 41.43 % of total liabilities. Borrowings as a percentage of the total assets size of the Company is 17.38% as at March 31, 2022.</p> <p>The borrowings are under agreements with terms and conditions detailed in Note No. 17 of the financial statements.</p> <p>Given the size of the borrowings balance and the importance of the capital structure for continued growth, the accounting for the Company's borrowings is considered a key audit matter.</p>	<p>Our audit procedures in respect of this area included:</p> <ul style="list-style-type: none"> <li>• We read the agreements between the Company and its financiers to understand the terms associated with the facilities.</li> <li>• We obtained confirmations from the Company's banks/financial institutions to confirm all significant borrowings, including amounts, tenure and conditions.</li> <li>• Where debt is regarded as non-current, we tested whether the Company has the unconditional right to defer payment such that there were no repayments required within 12 months from the balance date.</li> <li>• We further considered whether the disclosures related to the borrowings in the financial statements are appropriate in all material respects.</li> </ul>

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting

frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  2. As required by Section 143(3) of the Act, we report that:
    - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
    - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
    - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
    - f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
    - g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
-

- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note No. 43 A to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been delay in transferring the amounts, which was required to be transferred to the investor education and protection fund by the company- Refer Note No. 44 to the financial statements.
  - iv. (a)The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b)The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The company has not declared or proposed dividend during the year.

**For Nemani Garg Agarwal & Co.**  
*Chartered Accountants*

Firm's Registration Number: **010192N**  
**(CA. SK Nemani)**  
*Partner*

Membership Number: 037222  
UDIN: 22037222AJIOLL7281  
Place of Signature: New Delhi  
Date: 20 May, 2022

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Lords Chloro Alkali Limited of even date)**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
    - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate and any discrepancies of 10% or more in the aggregate for each class of inventory have been properly dealt with in the books of account
  - (b) The Company has sanction of working capital limits in excess of Rs.5 crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets, and quarterly returns or statements filed by the company with banks are in agreement with the books of accounts of the Company.
- iii. The Company has not made investments in, companies, firms, Limited Liability Partnerships, and has not granted unsecured loans to other parties, during the year, hence reporting under clause 3(iii) (a) to (f) of the order are not applicable to the company.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as

applicable.

- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under subsection (1) of section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However we have not made a detailed examination of the records.
- vii. In respect of statutory dues:
  - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

<b>Nature of the statute</b>	<b>Nature of dues</b>	<b>Forum where Dispute is Pending</b>	<b>Period to which the Amount Relates</b>	<b>Amount (Rs in lac)</b>
Companies Act	Investor Education and Protection Fund	Details of dues not available	N.A.	11.64

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix.
  - (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest from any lender.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) The Company has applied the term loan for the purpose for which the loans were obtained.
  - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

- (f) The Company has not raised any loans on the pledge of securities held in its subsidiary, joint ventures or associates companies.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.  
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.  
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.  
(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.  
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash loss during the financial year covered by our audit and during the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. However the Statutory auditor was changed during the year due to completion of period for compulsorily Rotation of Auditor prescribed by the Companies Act
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our

examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) No amount unspent under sub section (5) of section 135 of Companies Act pursuant to any ongoing project for CSR amount was outstanding for transfer to special Account in compliance with the provision of sub section (6) of section 135 of Companies Act at the end of the Financial Year.

**For Nemani Garg Agarwal & Co.**

*Chartered Accountants*

Firm's Registration Number: **010192N**

**(CA. SK Nemani)**

*Partner*

Membership Number: 037222

UDIN: 22037222AJIOLL7281

Place of Signature: New Delhi

Date: 20 May, 2022

UDIN No. 22037222AJIOLL7281

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**Annexure 'B' To the Independent Auditors' Report**

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(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of Lords Chloro Alkali Limited)

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

**Opinion**

We have audited the internal financial controls with reference to financial statements of Lords Chloro Alkali Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that

a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

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

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

**For Nemani Garg Agarwal & Co.**  
*Chartered Accountants*

Firm's Registration Number:-**010192N**

**(CA. SK Nemani)**  
*Partner*

Membership Number: 037222  
UDIN: 22037222AJIOLL7281

Place of Signature: New Delhi

Date: 20 May, 2022

UDIN No 22037222AJIOLL7281

Balance Sheet as at 31 March, 2022

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
a) Property, plant and equipment	2	11,830.35	11,674.10
b) Capital work-in-progress	3	37.00	43.51
c) Right-of-use assets	4	743.63	401.49
d) Intangible assets under development	5	-	15.05
e) Intangible assets		0.00	-
f) Financial assets			
i) Investments	6	30.88	19.18
ii) Loans	7A	0.20	-
f) Other non-current assets	8	606.44	641.01
<b>Total non-current assets</b>		<b>13,248.50</b>	<b>12,794.34</b>
<b>(2) Current assets</b>			
a) Inventories	9	1,519.05	2,168.16
b) Financial assets			
i) Trade receivables	10	1,433.95	2,131.49
ii) Cash and cash equivalents	11	2,110.64	19.65
iii) Bank balances other than cash & cash equivalents	12	1,000.00	0.10
iv) Loans	7B	42.06	49.87
c) Current tax assets (net)	13	-	93.00
d) Other current assets	14	660.33	700.20
<b>Total current assets</b>		<b>6,766.03</b>	<b>5,162.47</b>
<b>TOTAL ASSETS</b>		<b>20,014.53</b>	<b>17,956.81</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	15	2,515.39	2,515.39
b) Other equity	16	9,104.74	5,871.46
<b>Total Equity</b>		<b>11,620.13</b>	<b>8,386.85</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
a) Financial liabilities			
i) Borrowings	17	3,025.92	3,571.63
ii) Lease liabilities	18A	651.19	377.53
b) Provisions	19A	167.61	156.49
c) Deferred tax liabilities (net)	20	1,114.85	503.75
d) Other non-current liabilities	21	957.44	982.47
<b>Total non-current liabilities</b>		<b>5,917.01</b>	<b>5,591.87</b>
<b>(2) Current liabilities</b>			
a) Financial liabilities			
i) Borrowings	17	451.76	2,488.35
ii) Trade payables	22		
-total outstanding dues to micro and small enterprises		-	-
-total outstanding dues to creditors other than micro and small enterprises		89.43	149.00
iii) Lease liabilities	18B	23.71	24.48
iv) Other financial liabilities	23	252.71	214.93
b) Other current liabilities	24	1,447.57	943.34
c) Provisions	19B	178.03	157.99
d) Current tax Liabilities (net)	25	34.19	-
<b>Total current liabilities</b>		<b>2,477.39</b>	<b>3,978.09</b>
<b>Total liabilities</b>		<b>8,394.40</b>	<b>9,569.96</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>20,014.53</b>	<b>17,956.81</b>

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

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

For M/s Nemani Garg Agarwal & Co

Chartered Accountants

Firm Registration No. 010192N

UDIN No 22037222AJIOLL7281

CA. Shashi Kant Nemani

Partner

Membership No. 037222

UDIN :

Place: New Delhi

Date: 20th May, 2022

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

Madhav Dhir

Director

DIN 07227587

Ajay Virmani

Managing Director

DIN 00758726

Nitesh Anand

Company Secretary

M. No. A28698

Rajiv Kumar

Chief Financial Officer

M. No. 508277

**Statement of profit and loss for the year ended 31 March, 2022**  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>I Revenue</b>			
Revenue from operations	26	24,008.27	15,410.12
Other income	27	252.44	322.90
<b>Total revenue</b>		<b>24,260.71</b>	<b>15,733.02</b>
<b>II Expenses</b>			
Cost of materials consumed	28	3,445.95	2,646.90
Purchases of stock-in-trade	29	5.51	28.50
Changes in inventories of finished goods and work-in-progress	30	591.98	(519.30)
Employee benefit expenses	31	1,307.43	1,026.53
Finance costs	32	477.15	399.34
Depreciation and amortization expense	33	726.35	640.92
Power and fuel charges		11,449.39	10,645.61
Other expenses	34	1,605.26	1,103.63
<b>Total expenses</b>		<b>19,609.02</b>	<b>15,972.13</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>4,651.69</b>	<b>(239.11)</b>
Exceptional items			-
<b>III Profit/(Loss) before tax</b>		<b>4,651.69</b>	<b>(239.11)</b>
<b>IV Tax expense</b>	35		
Current tax		814.10	-
Deferred tax charge/(credit)		609.21	(35.02)
Earlier year tax adjustment (net)			-
<b>Total tax expense</b>		<b>1,423.31</b>	<b>(35.02)</b>
<b>V Profit/(Loss) for the year</b>		<b>3,228.38</b>	<b>(204.09)</b>
<b>Profit/(loss) after tax from discontinued operations</b>			
<b>Profit/(loss) for the period</b>		<b>3,228.38</b>	<b>(204.09)</b>
<b>VI Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
-Remeasurement of post employment benefit obligations		6.79	25.22
-Income tax relating to items that will not be reclassified to profit & loss		(1.89)	(7.02)
<b>Total Other Comprehensive (loss)/Income</b>		<b>4.90</b>	<b>18.20</b>
<b>VII Total comprehensive income for the year</b>		<b>3,233.28</b>	<b>(185.89)</b>
<b>VIII Earnings per equity share (Rs 10 per share):</b>	36		
(1) Basic		12.83	(0.81)
(2) Diluted		12.83	(0.81)

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

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

**For M/s Nemani Garg Agarwal & Co**  
Chartered Accountants  
Firm Registration No. 010192N  
Udin no 22037222AJIOLL7281

**CA. Shashi Kant Nemani**  
Partner  
Membership No. 037222  
UDIN :

Place: New Delhi  
Date: 20th May, 2022

**Madhav Dhir**  
Director  
DIN 07227587

**Nitesh Anand**  
Company Secretary  
M. No. A28698

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

**Ajay Virmani**  
Managing Director  
DIN 00758726

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

Cash flow statement for the year ended 31 March, 2022  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash Flow from Operating activities</b>		
Profit/ (Loss) before tax	4,651.69	(239.11)
<b>Adjustments for: -</b>		
Depreciation and amortisation	726.35	640.92
Finance cost	477.15	399.34
Dividend income & Interest on Income Tax	(9.27)	-
Rent expenses on security deposit agst lease & Interest Income	(0.35)	0.15
Net (Gain)/Loss arising on financial assets measured at FVTPL	(11.70)	(11.28)
Balance written off/(back)	51.60	(11.71)
Insurance Claim	(52.22)	-
Interest income classified as investing cash flows	(12.68)	(3.95)
(Gain)/ Loss on disposal of property, plant and equipment (net)	(154.44)	(295.96)
<b>Operating profit before working capital changes</b>	<b>5,666.13</b>	<b>478.40</b>
<b>Movement in working capital</b>		
Movement in trade receivables	697.54	(431.22)
Movement in inventories	649.11	(674.80)
Movement in trade payables	(59.56)	47.08
Movement in loans current & non current (asset)	7.95	(0.54)
Movement in other current and non current asset	23.59	(140.11)
Movement in provisions	37.96	27.42
Movement in other current and non current liabilities	499.57	527.88
<b>Cash generated from operations</b>	<b>7,522.29</b>	<b>(165.89)</b>
Income taxes paid (net of refund)	(780.79)	-
<b>Net cash flow /(used in) from operating activities (A)</b>	<b>6,741.50</b>	<b>(165.89)</b>
<b>B. Cash flow from investing activities</b>		
Payment for procurement of property, plant & equipment including Capital advances & capital work-in-progress	(965.57)	(434.47)
Proceeds on disposal of property, plant and equipment	252.71	319.07
Payment for margin money and bank deposits	-	-
Dividend Income	9.27	-
Interest received	12.68	-
Change In Investment	11.70	-
Insurance Claim received	52.22	-
<b>Net cash flow /(used in) investing activities (B)</b>	<b>(626.99)</b>	<b>(115.40)</b>
<b>C. Cash flow from financing activities*</b>		
Proceeds from long term borrowings	3,082.10	1,566.16
Proceeds from short term borrowings	-	-
Repayment of long term borrowings	(4,215.07)	(1,439.00)
Repayment of short term borrowings	(1,449.52)	(131.12)
Repayment of principal & Interest portion of lease liabilities	(78.64)	(43.56)
Finance cost paid	(362.48)	(264.62)
<b>Net cash flow /(used in) financing activities (C)</b>	<b>(3,023.61)</b>	<b>(312.14)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>	<b>3,090.89</b>	<b>(593.43)</b>
Cash and cash equivalents as at the beginning of the year	19.75	613.18
<b>Cash and cash equivalents as at the end of the year</b>	<b>3,110.64</b>	<b>19.75</b>

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

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

Note:

- (i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) Statement of Cash Flow.
- (ii) Cash flows from operating activities include Rs. 29 lakhs (31 March 2021 Rs. 102.25 lakhs) being expenses towards Corporate Social Responsibility initiatives.

For M/s Nemani Garg Agarwal & Co  
Chartered Accountants  
Firm Registration No. 010192N  
UDIN no 22037222AJIOLL7281

CA. Shashi Kant Nemani  
Partner  
Membership No. 037222  
UDIN :

Place: New Delhi  
Date: 20th May, 2022

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

Madhav Dhir  
Director  
DIN 07227587

Ajay Virmani  
Managing Director  
DIN 00758726

Nitesh Anand  
Company Secretary  
M. No. A28698

Rajiv Kumar  
Chief Financial Officer  
M. No. 508277

**Statement of changes in equity for the year ended 31 March 2022**  
(All amounts in INR Lakhs, unless otherwise stated)

**A Equity share capital\***

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at beginning of the year	2,515.39	2,515.39
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	2,515.39	2,515.39
Changes in equity share capital during the current year	-	-
<b>Balance as at the end of the year</b>	<b>2,515.39</b>	<b>2,515.39</b>

**B Other equity\*\***

Particulars	Reserves and surplus				Total
	Capital reserve	Security premium reserve	Retained earnings	OCI	
Balance as at 1 April 2020	1.21	2,082.06	3,997.19	(23.11)	6,057.35
<b>Addition during the year</b>					
Profit for the year	-	-	(204.09)		(204.09)
Items of OCI (net of tax)					
-Remeasurement benefit of defined benefit plans	-	-	-	18.20	18.20
<b>Balance as at 31 March 2021</b>	<b>1.21</b>	<b>2,082.06</b>	<b>3,793.10</b>	<b>(4.90)</b>	<b>5,871.46</b>
<b>Addition during the year</b>					
Profit/ (loss) for the year	-	-	3,228.38		3,228.38
Items of OCI (net of tax)					
-Remeasurement benefit of defined benefit plans	-	-	-	4.90	4.90
<b>Balance as at 31 March, 2022</b>	<b>1.21</b>	<b>2,082.06</b>	<b>7,021.47</b>	<b>(0.00)</b>	<b>9,104.74</b>

\* Refer note no. 15 for details

\*\* Refer note no. 16 for details

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

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

For M/s Nemani Garg Agarwal & Co  
Chartered Accountants  
Firm Registration No. 010192N  
UDIN No 22037222AJIOLL7281

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

CA. Shashi Kant Nemani  
Partner  
Membership No. 037222  
UDIN :

Madhav Dhir  
Director  
DIN 07227587

Ajay Virmani  
Managing Director  
DIN 00758726

Place: New Delhi  
Date: 20th May, 2022

Nitesh Anand  
Company Secretary  
M. No. A28698

Rajiv Kumar  
Chief Financial Officer  
M. No. 508277

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022**

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

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

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

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

**Basis of preparation**

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

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

**Current versus non-current classification**

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

**a. Revenue recognition and presentation:**

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

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

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

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

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

**Sale of goods**

Revenue from sale of goods is recognised when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that reflects the consideration the Company expects to be

## **Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022**

entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods.

### **Interest income**

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

### **Dividend**

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

### **b. Inventories**

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

### **c. Income taxes**

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside statement of profit and loss (in OCI or equity depending upon the treatment of underlying item).

### **d. Cash and cash equivalents**

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

### **e. Foreign currency transactions**

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

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognised in profit or loss.

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

### **f. Financial instruments**

#### *Initial recognition and measurement*

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

#### **Non-derivative financial assets**

##### *Subsequent measurement*

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

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

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

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022**

- ii. **Fair value through profit or loss** – Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.
- iii. **Fair value through OCI**- A financial assets measured at FVOCI if both of the following conditions are met:
- The Company’s business model objectives for managing the financial assets is achieved both by collecting contractual cash flows and selling the financial assets, and
  - The contractual terms of the financial assets given raise in specified dates to cash flows that are solely payments.

**g. Fair value of financial instruments**

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

**h. Property, plant and equipment (‘PPE’)**

*Recognition and initial measurement*

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

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

*Subsequent measurement (depreciation and useful life)*

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

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

### *De-recognition of PPE*

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

### **i. Capital work-in progress**

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

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

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

#### *Impairment of financial assets*

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

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

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

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

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

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

### *De-recognition of financial assets*

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

### **Non-derivative financial liabilities**

#### *Subsequent measurement*

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

#### *De-recognition of financial liabilities*

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

### **Offsetting of financial instruments**

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

### **k. Leases**

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

#### Company as a lessee

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

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

### a) Right-of-use assets

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

### b) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual, value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

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

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

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

## 1. Borrowing costs

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

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

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022**

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

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises when there is a presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts. Provisions are not recognised for future operating losses.

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

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

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

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

Contingent liability is disclosed for:

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

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

**n. Employee benefits**

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

**Defined benefit plans**

*Gratuity*

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

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

### **Other long-term benefits**

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

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

### **Defined contribution plans**

#### **Provident Fund**

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

#### **Short-term employee benefits**

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

### **o. Earnings per share**

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

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

### **p. Segment reporting**

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

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

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

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

## **Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022**

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

### **Significant judgments:**

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

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

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

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

### **Sources of estimation uncertainty:**

#### **(i) Provisions**

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

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

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

Notes to the Financial Statements for the period ended 31 March, 2022  
(All amounts in INR Lakhs, unless otherwise stated)

**2 Property, plant & equipments**

Particulars	Leasehold land	Buildings	Plant & equipments	Furniture & fixtures	Vehicles	Office equipments	Total
<b>Gross carrying amount</b>							
At 1 April 2020	101.04	982.06	21,224.99	135.51	101.16	71.35	22,616.11
Additions	-	-	285.09	0.43	28.52	1.49	315.54
Disposals	-	-	(452.86)	(5.13)	-	-	(457.99)
<b>Balance as at 31 March 2021</b>	<b>101.04</b>	<b>982.06</b>	<b>21,057.23</b>	<b>130.81</b>	<b>129.68</b>	<b>72.84</b>	<b>22,473.66</b>
Additions	-	46.64	689.26	26.28	190.29	17.55	970.01
Disposals	(101.04)	(7.19)	(843.90)	-	-	-	(952.14)
<b>Balance as at 31 March 2022</b>	<b>(0.00)</b>	<b>1,021.50</b>	<b>20,902.58</b>	<b>157.09</b>	<b>319.98</b>	<b>90.39</b>	<b>22,491.54</b>
<b>Accumulated depreciation</b>							
At 1 April 2020	38.06	858.98	9,565.92	120.02	31.34	17.00	10,631.30
Charge for the year	1.04	20.66	555.26	1.66	12.20	12.32	603.14
Disposals	-	-	(430.17)	(4.70)	-	-	(434.87)
<b>Balance as at 31 March 2021</b>	<b>39.10</b>	<b>879.64</b>	<b>9,691.01</b>	<b>116.98</b>	<b>43.54</b>	<b>29.32</b>	<b>10,799.57</b>
Charge for the year	-	19.35	596.77	2.87	20.72	13.84	653.55
Disposals	(39.10)	(1.39)	(751.44)	-	-	-	(791.93)
<b>Balance as at 31 March 2022</b>	<b>(0.00)</b>	<b>897.61</b>	<b>9,536.34</b>	<b>119.84</b>	<b>64.26</b>	<b>43.15</b>	<b>10,661.19</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>61.94</b>	<b>102.42</b>	<b>11,366.22</b>	<b>13.83</b>	<b>86.15</b>	<b>43.53</b>	<b>11,674.10</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>0.00</b>	<b>123.89</b>	<b>11,366.24</b>	<b>37.25</b>	<b>255.71</b>	<b>47.23</b>	<b>11,830.35</b>

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

Refer note no. 43B for disclosure of contractual commitment for aquisition of property, plant & equipment

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

Lease hold land transferred to right to use for the application of Ind AS

**2(i) (i) Title deeds of Immovable Properties not held in name of the Company as at 31 March 2022/( 31 March 2021)**

Item category	Balance sheet	Description of Item of Property	Gross Carrying Value	Title Deeds Held in the name of Company	Whether title deed holder is a promoter, director or relative# of promoter* /director or employee of promoter/ director	Property held since which year	Reason for not being held in the name of the company
							<b>Lacs</b>

\* Company has only leasehold land and building and no freehold immovable property is held by the company during the year. Hence the requirement of title deed of freehold immovable property in the name of company is not applicable.

**3 Capital work in progress**

Particulars	Plant & machinery	Total
Balance as at 1 April 2020	-	-
Additions	328.60	328.60
Transfer to property plant & equipment	285.09	285.09
<b>Balance as at 31 March 2021</b>	<b>43.51</b>	<b>43.51</b>
Balance as at 1 April 2021	43.51	43.51
Additions	641.69	641.69
Transfer to property plant & equipment	648.20	648.20
<b>Balance as at 31 March 2022</b>	<b>37.00</b>	<b>37.00</b>

**3(i) Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31 March 2022 /( 31 March 2021)**

Capital-Work-in Progress (CWIP)	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	37 / (43.51)	0	0	0	37/ ( 43.51)

Notes to the Financial Statements for the period ended 31 March, 2022  
(All amounts in INR Lakhs, unless otherwise stated)

**4 Right-of-use assets**

Particulars	Building	Leasehold Land	Total
<b>Gross carrying amount</b>			
At 1 April 2020	90.85	-	90.85
Additions	407.32	-	407.32
Adjustments/disposals	(90.85)	-	(90.85)
<b>Balance as at 31 March 2021</b>	<b>407.32</b>	<b>-</b>	<b>407.32</b>
At 1 April 2021	407.32	101.04	508.36
Additions	45.97	289.92	335.89
Adjustments/disposals	-	-	-
<b>Balance as at 31 March 2022</b>	<b>453.29</b>	<b>390.96</b>	<b>844.25</b>
<b>Accumulated depreciation</b>			
At 1 April 2020	34.19	-	34.19
Charge for the year	37.78	-	37.78
Adjustments for disposals	(66.14)	-	(66.14)
<b>Balance as at 31 March 2021</b>	<b>5.83</b>	<b>-</b>	<b>5.83</b>
At 1 April 2021	5.83	39.10	44.94
Charge for the year	49.61	6.07	55.68
Adjustments for disposals	-	-	-
<b>Balance as at 31 March 2022</b>	<b>55.44</b>	<b>45.17</b>	<b>100.61</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>401.49</b>	<b>-</b>	<b>401.49</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>397.85</b>	<b>345.79</b>	<b>743.63</b>

Note: The company has adopted Ind AS 116 "Leases" using modified retrospective approach. Hence, previous year figures have not been disclosed.

**5 Intangible assets under development**

Particulars	Computer Software	Total
<b>Gross carrying amount</b>		
At 1 April 2020	7.75	7.75
Additions	7.31	7.31
Disposals	-	-
<b>Balance as at 31 March 2021</b>	<b>15.05</b>	<b>15.05</b>
Additions	2.07	2.07
Disposals	-	-
<b>Balance as at 31 March 2022</b>	<b>17.12</b>	<b>17.12</b>
<b>Accumulated amortisation</b>		
At 1 April 2020	-	-
Charge for the year	-	-
Impairment charge	-	-
<b>Balance as at 31 March 2021</b>	<b>-</b>	<b>-</b>
Charge for the year	0.68	0.68
Impairment charge	16.44	16.44
<b>Balance as at 31 March 2022</b>	<b>17.12</b>	<b>17.12</b>
<b>Net carrying amount as at 31 March 2021</b>	<b>15.05</b>	<b>15.05</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>0.00</b>	<b>0.00</b>

**5(i) Intangible assets under development - Ageing Schedule as at 31 March 2022 / (31 March 2021)**

Intangible assets under development	Amount in CWIP for a				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Software	0 / 7.31	0 / (7.75)	0	0	0 / (15.05)

Notes to the Financial Statements for the period ended 31 March, 2022  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021						
<b>6 Investments</b>								
<b>Investment in equity instruments (fully paid-up)</b>								
<b>Quoted equity shares (Measured at fair value through profit and loss)</b>								
1000 (previous year 31 March 2021: 1000) Fully paid up Equity Shares of INR 2 each in DCM Shriram Consolidated Ltd	11.31	1.88						
500 (previous year 31 March 2021: 500) Fully paid up Equity Shares of INR 2 each in Grasim Industries Ltd	8.32	7.26						
700 (previous year 31 March 2021: 700) Fully paid up Equity Shares of INR 10 each in Aditya Birla Capital Limited	0.75	0.84						
165 (previous year 31 March 2021: 165) Fully paid up Equity Shares of INR 10 each in Gujarat Alkalies & Chemicals Ltd	1.48	0.57						
300 (previous year 31 March 2021: 300) Fully paid up Equity Shares of INR 5 each in Kanoria Chemicals & Industries Ltd	0.41	0.27						
100 (previous year 31 March 2021: 100) Fully paid up Equity Shares of INR 10 each in Punjab Alkalies & Chemicals Ltd	0.09	0.09						
500 (previous year 31 March 2021: 500) Fully paid up Equity Shares of INR 2 each in DCW Ltd	0.20	0.13						
57 (previous year 31 March 2021: 57) Fully paid up Equity Shares of INR 10 each in Ultra Tech Cement Ltd	3.76	3.84						
300 (previous year 31 March 2021: 300) Fully paid up Equity Shares of INR 2 each in Ballarpur Industries Ltd.	0.00	0.00						
100 (previous year 31 March 2021: 100) Fully paid up Equity Shares of INR 10 each in SPIC Ltd	0.07	0.03						
<b>Investment in Mutual Fund</b>								
<b>Quoted, (Measured at fair value through profit and loss)</b>								
Principal focused multi cap fund- regular plan growth 4190.606 (31 March 2021: 4190.606) units	4.49	3.95						
<b>Investment - Others</b>								
Silver Coins	0	0.32						
<b>Total</b>	<b>30.88</b>	<b>19.18</b>						
Aggregate value of quoted investments	4.13	4.13						
Market value of quoted investments	30.88	18.86						
Aggregate value of unquoted investments	-	0.32						
<b>7A Loans non-current</b>								
<b>(Unsecured, considered good unless otherwise stated)</b>								
Advance to Employees	0.20	-						
<b>Total</b>	<b>0.20</b>	<b>-</b>						
<b>7B Loans current</b>								
<b>(Unsecured, considered good unless otherwise stated)</b>								
Advance to employees	2.06	2.85						
Others	40.00	47.02						
<b>Total</b>	<b>42.06</b>	<b>49.87</b>						
<b>8 Other non current assets</b>								
Advance for capital goods*	61.56	95.48						
Other advances	298.25	298.25						
Prepaid expenses	161.63	163.12						
Security deposit	85.00	84.16						
<b>Total</b>	<b>606.44</b>	<b>641.01</b>						
*Refer note no. 43B for disclosure of contractual commitment for aquisition of property, plant & equipment								
<b>9 Inventories</b>								
<b>(Valued at lower of cost and net realisable value)</b>								
Raw material	225.34	384.72						
Work-in-progress	263.02	408.97						
Finished goods	175.21	621.25						
Fuel oil stock of power plant	33.99	114.48						
Packing materials	4.22	4.47						
Stores and spares	817.28	634.28						
<b>Total</b>	<b>1,519.05</b>	<b>2,168.16</b>						
<b>10 Trade receivables</b>								
Unsecured, Considered good	1,433.95	2,131.49						
<b>Total</b>	<b>1,433.95</b>	<b>2,131.49</b>						
* For related party balances refer note no. 37								
<b>Trade Receivables ageing schedule as at 31 March 2022</b>								
	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	1,242.90	181.83	6.02	-	3.20	1,433.95
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>1,242.90</b>	<b>181.83</b>	<b>6.02</b>	-	<b>3.20</b>	<b>1,433.95</b>
<b>Trade Receivables ageing schedule as at 31 March 2021</b>								
	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	1,825.18	127.38	175.73	-	3.20	2,131.49
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>1,825.18</b>	<b>127.38</b>	<b>175.73</b>	-	<b>3.20</b>	<b>2,131.49</b>
<b>11 Cash &amp; Cash Equivalents</b>								
Balance with bank with scheduled banks in current accounts						2,104.54		5.82
Cash on hand						6.10		13.82
<b>Total</b>						<b>2,110.64</b>		<b>19.65</b>
<b>12 Bank balances other than cash &amp; cash equivalents</b>								
Fixed Deposit						1,000.00		0.10
<b>Total</b>						<b>1,000.00</b>		<b>0.10</b>
<b>13 Current Tax Assets (net)</b>								
Advance income tax						-		93.00
Less: Provision for taxation						-		-
<b>Total</b>								<b>93.00</b>

Notes to the Financial Statements for the period ended 31 March, 2022  
(All amounts in INR Lakhs, unless otherwise stated)

<b>14 Other current assets</b>		
Advance to suppliers		
- Unsecured, Considered good	372.48	457.57
- Considered doubtful	-	-
	<u>372.48</u>	<u>457.57</u>
Less : Provision on advances		
	<u>372.48</u>	<u>457.57</u>
Balance with government authorities	139.62	67.19
Prepaid expenses and other advances	139.06	74.76
Interest accrued on fixed deposit	3.73	0.16
Fixed deposit 3-12 months *	5.44	100.52
	<u>660.33</u>	<u>700.20</u>

- \* Margin money of Rs 44,000 is equal to 5% margin on Bank Guarantee of Rs 8.79 Lakh ( Previous Year 2020-21 Rs. 8.79 lakhs) issued to RRVUNL to secure the order of 87.95 Lakh of supply of our product Liquid Chlorine and Hydrochloric acid.
- \* Margin money of Rs. 8,000 is equal to 5% margin on Bank Guarantee of Rs 1.57 Lakh Current Year NIL ( Previous Year 2020-21 Rs 1.57 lakh) issued to Rajasthan State Pollution Control Board to secure the obligation of the Installing RO System for improving the zero discharge.
- \* Margin money of Rs. 1,00,00,000 to secure the Banking facility by way of ECLGS Term Loan upto the Rs. 390 Lakh. Current year as on 31.03.2022 is NIL ( Previous Year 2020-21 Rs. 100 Lakh)
- \* Margin money of Rs. 5,00,000 is equal to 5% margin on Foreign Letter of Credit of USD 1,24,339.66 to procure the order of Plant & Machinery from The Chemrous Company FC, LLC USA in current year ( Previous year NIL)

<b>15 Share capital</b>		
Authorized share capital		
7,50,00,000 equity shares; 31 March 2021: 7,50,00,000 equity shares; of Rs.10/- each	7,500.00	7,500.00
	<u>7,500.00</u>	<u>7,500.00</u>
<b>Issued share capital</b>		
2,51,58,885 equity shares; 31 March 2021: 2,51,58,885 equity shares; of Rs.10/- each	2,515.89	2,515.89
	<u>2,515.89</u>	<u>2,515.89</u>
<b>Subscribed capital and fully paid up</b>		
2,51,53,861 equity shares; 31 March 2021: 2,51,53,861 equity shares; of Rs.10/- each	2,515.39	2,515.39
	<u>2,515.39</u>	<u>2,515.39</u>

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

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Rakesh Ahuja	-	0.00%	3,331,447	13.24%
Madhav Dhir	7,543,422	29.99%	7,384,582	29.36%
Yuvraj Ahuja	-	0.00%	2,172,040	8.64%
M/s Matrix Dotcom Infonet Pvt. Ltd.	-	0.00%	1,780,000	7.08%
Shrishti Dhir	4,085,694	16.24%	-	0.00%
Dhir Hotels and resorts Private Limited	4,964,391	19.74%	-	0.00%
<b>Total</b>	<b>16,593,507</b>	<b>65.97%</b>	<b>14,668,069</b>	<b>58.32%</b>

(ii) Details of shareholding of Promoters

Name of shareholder	% age change	As at March 31, 2022		As at March 31, 2021	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Srishti Dhir	100%	4,085,694	16.24%	-	-
Maneasha Dhir	0%	1,020,000	4.06%	1,020,000	4.06%
Madhav Dhir	2%	7,543,442	29.99%	7,384,582	29.36%
Shiva Consultants Private Limited	0%	1,182,029	4.70%	1,182,029	4.70%
Dhir Hotels And Resorts Private Limited	100%	4,964,391	19.74%	-	-
Rakesh Ahuja	-100%	-	-	3,331,447	13.24%
Jyoti Ahuja	-100%	-	-	386,010	1.53%
Yuvraj Ahuja	-100%	-	-	2,172,040	8.64%
M/s Matrix Dotcom Infonet Private Limited	-100%	-	-	1,780,000	7.08%
<b>Total</b>		<b>18,795,556</b>	<b>74.72%</b>	<b>17,256,108</b>	<b>68.60%</b>

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

Description	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	25,153,861	2,515.39	25,153,861	2,515.39
Add: shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>25,153,861</b>	<b>2,515.39</b>	<b>25,153,861</b>	<b>2,515.39</b>

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

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

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, beside other rights available under the Companies Act. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

The Company has not issued any shares pursuant to contract(s) without payment being received in cash.  
No bonus shares have been issued in preceding 5 years.  
The Company has not undertaken any buy back of shares.

Particulars	OCI	Capital reserve	Security premium reserve	Retained earnings	Total
Balance as at 1 April 2020	(23.11)	1.21	2,082.06	3,997.19	6,057.35
Addition during the year					
Profit for the year	-	-	-	(204.09)	(204.09)
Items of OCI (net of tax)	18.20	-	-	-	18.20
-Remeasurement benefit of defined benefit plans					
<b>Balance as at 31 March 2021</b>	<b>(4.91)</b>	<b>1.21</b>	<b>2,082.06</b>	<b>3,793.10</b>	<b>5,871.46</b>
Addition during the year					
Profit for the year	-	-	-	3,228.38	3,228.38
Items of OCI (net of tax)	4.90	-	-	-	4.90
-Remeasurement benefit of defined benefit plans					
<b>Balance as at 31 March 2022</b>	<b>(0.00)</b>	<b>1.21</b>	<b>2,082.06</b>	<b>7,021.47</b>	<b>9,104.74</b>

Note:-

i) Capital Reserve

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

ii) Security Premium Reserve

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

iii) Retained Earning

Notes to the Financial Statements for the period ended 31 March, 2022  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>17 Borrowings : non-current*</b>		
Secured		
Term loans		
-From banks	1,251.59	379.17
Unsecured		
From others		
-Loans from related parties	988.00	3,005.13
-Loans from others	0.33	0.33
-Inter-corporate deposits	786.00	187.00
*for terms & conditions refer table below		
	<b>3,025.92</b>	<b>3,571.63</b>

Particulars	Rate of Interest (p.a)	Maturity	Terms of Repayment	Nature of Security	As at	
					March 31, 2022	March 31, 2021
<b>Secured borrowings</b>						
Term Loan - HDFC Bank Limited (See note below)*	8.90% (8.90%)	March'2024	HDFC Bank Limited, Malcha Marg Branch has sanctioned of takeover of our existing Term Loan credit facilities with Punjab National bank, Mohan Nagar Branch of 1900 lakhs in the year 2019. The loan repayable in 9 quarterly instalments of Rs. 75 lakhs each.	Primary security: (i) First charge on all existing and future current assets and movable fixed asset of borrower (ii) First charge on all/entire movable fixed asset both present and future in the name of borrower Secondary Collateral: First charge on all immovable fixed assets both present and future including equitable mortgage of land & building in the name of borrower for the instance i.e. manufacturing unit located at Plot No. SP-460, RIICO Industrial area, MIA, Alwar	659.23	1,065.72
Term Loan - HDFC Bank Limited (See note below)*	7.65%	April'2028	HDFC Bank Limited, Malcha Marg Branch has sanctioned term Loan of Rs 1,000 lacs for new production facilities in 2021 and is repayable in 60 Monthly instalments after 6 month moratorium period starts from commissioning of complete project.	Primary security: (i) First charge on all existing and future current assets and movable fixed asset of borrower (ii) First charge on all/entire movable fixed asset both present and future in the name of borrower Secondary Collateral: First charge on all immovable fixed assets both present and future including equitable mortgage of land & building in the name of borrower for the instance i.e. manufacturing unit located at Plot No. SP-460, RIICO Industrial area, MIA, Alwar	542.60	-
Car Loan - Union Bank of India	7.40%	Jan' 2029	Union Bank of India, Gaziabad Branch has sanctioned vehicle Loan of Rs 100 lacs for vehicle in 2021 and is repayable in 84 Monthly instalments starts from January 2022	Security : by way of hypothecation of Vehicle in favour of Union Bank of India and personal guarantee of our executive director Mr. Madhav Dhir.	97.18	-
Car Loan - Kotak Mahindra Prime Limited	7.69%	Sep' 2026	Kotak Mahindra Prime limited, Noida Branch has sanctioned vehicle Loan of Rs 58 lacs for vehicle in 2021 and is repayable in 60 Monthly instalments starts from October 2021	Security : by way of hypothecation of Vehicle in favour of Kotak Mahindra Prime Limited	53.18	-
Working capital term loan - HDFC Bank Limited	7.5% / (7.5%)	Mar'2025	HDFC Bank Limited, Malcha Marg Branch has sanctioned of Emergency Credit Line Guaranteed Scheme (ECLGS) Loan of Rs. 390 lakhs in the year 2020. Loan is repayable in 36 Monthly instalments after 1 year moratorium period.	Security : Extention of second ranking charge over existing primary and collateral securities including mortgage created in favour of the Bank. Deposit of Rs. 1 Cr. In form of FDR with the concerned branch for 1 year to continue facility by way of GECL loan and as on date same has been released on 23-03-2022.	390.00	390.00
<b>Total Secured Borrowings</b>					<b>1,742.20</b>	<b>1,455.72</b>
<b>Unsecured Borrowings</b>						
Loan from related parties	9.25% & 9% (9.25% & 6%)	January'2023 & March'2023	All the loan have been taken from the directors and allied concerns are repayable on the terms as mutually decided between the parties. For detail related parties disclosure refer note no.37 of notes to accounts.	Unsecured borrowings	1,142.63	2,173.04
Loan from related parties	Interest Free	March'2023	All the loan have been taken from the directors and allied concerns are repayable on the terms as mutually decided between the parties. For detail related parties disclosure refer note no.37 of notes to accounts.	Unsecured borrowings	-	972.34
Inter corporate deposit	9.25% (9.25%)	January'2023 & September'2023	Above inter corporate deposit comprises term loan obtained from Cirrus Infrastructure Pvt Ltd., JFC Finance India Limited. The same is repayable on the terms as mutually decided between the parties.	Unsecured borrowings	843.48	223.97
Loan & advance from others	Interest Free	NA	(i) Outstanding loan of Rs. 0.33 lakhs (Previous Year Rs. 0.33 lakhs) obtained from body corporates and the terms and conditions of these loans are not known to the company.	Unsecured borrowings	0.33	0.33
<b>Total unsecured borrowings</b>					<b>1,986.44</b>	<b>3,369.68</b>
<b>Total borrowings</b>					<b>3,728.64</b>	<b>4,825.40</b>
Less : Current maturities of long term borrowings (As shown under short term borrowings)					451.76	1,038.83
Less : Interest accrued but not due					250.96	214.94
<b>Total non current borrowings</b>					<b>3,025.92</b>	<b>3,571.63</b>

**Note :**

The Company has complies with the financial covenants during the current financial year as given in the Loan Agreement, dated 29 May, 2019 executed with HDFC Bank Limited but not been able to meet compliance during the previous financial year. Due to this, the company had reclassified its 'Borrowings' of Rs. 617.99 Lakhs from 'Non-current liabilities' to 'Current liabilities' as at 31 March 2021.

Notes to the Financial Statements for the period ended 31 March, 2022  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>17 Borrowings: current</b>		
Secured		
Working capital loans repayable on demand from banks	-	1,449.52
Current maturities of long term borrowings	451.76	1,038.83
*for terms & conditions refer table below		
	<b>451.76</b>	<b>2,488.35</b>

Particulars	Rate of Interest (p.a)	Maturity	Terms of Repayment	Detail of Security/Guarantee	As at	
					March 31, 2022	March 31, 2021
Cash credit from HDFC Bank Limited	8.90% (8.90%)	NA	HDFC Bank Limited, Malcha Marg Branch has sanctioned takeover of our existing cash credit loan facility Rs. 2000.00 Lakhs from Punjab National Bank, Mohan Nagar Branch (Ghaziabad) in the year 2019 to meet the working capital requirement of the company.	Primary security: (i) First charge on all existing and future current assets and movable fixed asset of borrower (ii) First charge on all/entire movable fixed asset both present and future in the name of borrower (iii) First charge on all immovable fixed assets both present and future including equitable mortgage of land & building in the name of borrower for the instance i.e manufacturing unit located at Plot No. SP-460, RIICO Industrial area, MIA, Alwar.	-	1,449.52
Term Loan - HDFC Bank Limited (See note below)*	8.90% (8.90%)	March'2024	HDFC Bank Limited, Malcha Marg Branch has sanctioned of takeover of our existing Term Loan credit facilities with Punjab National bank, Mohan Nagar Branch of 1900 lakhs in the year 2019. The loan repayable in 9 quarterly instalments of Rs. 75 lakhs each.	Primary security: (i) First charge on all existing and future current assets and movable fixed asset of borrower (ii) First charge on all/entire movable fixed asset both present and future in the name of borrower Secondary Collateral: First charge on all immovable fixed assets both present and future including equitable mortgage of land & building in the name of borrower for the instance i.e manufacturing unit located at Plot No. SP-460, RIICO Industrial area, MIA, Alwar	300.00	1,027.99
Car Loan - Union Bank of India	7.40%	Jan' 2029	Union Bank of India, Gaziabad Branch has sanctioned vehicle Loan of Rs 100 lacs for vehicle in 2021 and is repayable in 84 Monthly installments starts from January 2022	Security : by way of hypothecation of Vehicle in favour of Union Bank of India and personal guarantee of our executive director Mr. Madhav Dhir.	11.54	-
Car Loan - Kotak Mahindra Prime Limited	7.69%	Sep' 2026	Kotak Mahindra Prime limited, Noida Branch has sanctioned vehicle Loan of Rs 58 lacs for vehicle in 2021 and is repayable in 60 Monthly installments starts from October 2021	Security : by way of hypothecation of Vehicle in favour of Kotak Mahindra Prime Limited	10.22	-
Working capital term loan - HDFC Bank Limited	7.5% / (7.5%)	Mar'2025	HDFC Bank Limited, Malcha Marg Branch has sanctioned of Emergency Credit Line Guaranteed Scheme (ECLGS) Loan of Rs. 390 lakhs in the year 2020. Loan is repayable in 36 Monthly installments after 1 year moratorium period.	Security : Extention of second ranking charge over existing primary and collateral securities including mortgage created in favour of the Bank. Deposit of Rs. 1 Cr. In form of FDR with the concerned branch for 1 year to continue facility by way of GECL loan and as on date same has been released.	130.00	10.83
<b>Total current borrowings</b>					<b>451.76</b>	<b>2,488.35</b>

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

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

Particulars	Long-term borrowings	Current Maturities of Long Term Borrowings	Short-term borrowings	Total
1 April 2020	4,483.30	-	1,580.64	6,063.94
Cash flows:				
- Repayment	1,439.00	-	131.12	1,570.12
- Proceeds	527.33	1,038.83	-	527.33
31 March 2021	3,571.63	1,038.84	1,449.52	5,021.15
Cash flows:				
- Repayment	3,627.99	587.08	1,449.52	5,077.51
- Proceeds	3,082.28	-	-	3,082.28
31 March 2022	3,025.92	451.76	-	3,025.92

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at		As at	
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
	Non-Current	Current	Non-Current	Current
	18A	18B	18A	18B
<b>18 Lease liabilities</b>				
Lease liabilities	651.19	23.71	377.53	24.48
	<b>651.19</b>	<b>23.71</b>	<b>377.53</b>	<b>24.48</b>
<b>19 Provisions</b>				
<b>Employees post retirement/long term benefits</b>				
Provision for Gratuity	110.22	82.97	105.09	76.74
Provision for compensated absences	57.39	71.79	51.40	63.49
Bonus	-	23.26	-	17.76
	<b>167.61</b>	<b>178.03</b>	<b>156.49</b>	<b>157.99</b>

\*For movement in each class of provision during the financial year refer note no. 38

Particulars	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2021	March 31, 2021
<b>20 Deferred tax liabilities (net)</b>				
<b>Deferred tax asset arising on account of :</b>				
Provision for post retirement benefits and other employees benefits			100.65	77.75
Provision for old stores			-	2.94
Others			-	0.01
Right-of-use assets & lease liabilities			-	-
Mat credit entitlement			726.97	908.66
Business loss			-	232.76
<b>Total deferred tax asset (a)</b>			<b>827.62</b>	<b>1,222.13</b>
<b>Deferred tax liabilities arising on account of:-</b>				
Property, plant & equipment			1,939.38	1,721.46
Fair valuation of investments			3.08	4.01
Right-of-use assets & lease liabilities			-	0.41
<b>Total deferred tax liabilities (b)</b>			<b>1,942.46</b>	<b>1,725.88</b>
<b>Net deferred tax liabilities (b-a)</b>			<b>1,114.85</b>	<b>503.75</b>

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

Particulars	As at		Recognised in Profit or Loss	Recognised in OCI	As at	
	March 31, 2021	March 31, 2021			March 31, 2022	March 31, 2022
<b>Deferred tax asset arising on account of :</b>						
Provision for post retirement benefits and other employees benefits	(77.75)	(22.90)	1.89	-	(100.65)	-
Provision for old stores	(2.94)	2.94	-	-	-	-
Fair value gain/ (loss)	(0.01)	0.01	-	-	-	-
Right-of-use assets & lease liabilities	-	-	-	-	-	-
Mat credit entitlement	(908.66)	181.69	-	-	(726.97)	-
Business loss	(232.76)	232.76	-	-	-	-
<b>Deferred tax liabilities arising on account of :</b>						
Property, plant & equipment	1,721.46	217.92	-	-	1,939.38	-
Fair valuation of investments	4.01	(0.93)	-	-	3.08	-
Right-of-use assets & lease liabilities	0.41	(0.41)	-	-	-	-
<b>Total</b>	<b>503.75</b>	<b>611.09</b>	<b>1.89</b>	<b>-</b>	<b>1,114.85</b>	<b>-</b>

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

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

**21 Other non-current liabilities**

Particulars	As at March 31, 2021	As at March 31, 2022
Investor Education and Protection Fund (U/s 125 of the Companies Act, 2013)*	11.64	11.64
Security and Other Deposits	915.00	864.00
Payable to statutory authorities	30.79	106.82
	<b>957.44</b>	<b>982.47</b>

\* Refer note no. 44

Notes to the Financial Statements for the period ended 31 March, 2022  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>22 Trade Payables</b>		
- total outstanding dues to micro and small enterprises*	-	-
- total outstanding dues to creditors other than micro and small enterprises	89.43	149.00
	<b>89.43</b>	<b>149.00</b>

\* The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on information received and available with the Company, there are no amounts payable other than disclosed above to Micro and Small Enterprises as at March 31, 2022 and March 31 2021.

**Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") is as under:-**

Particulars	As at March 31, 2022	As at March 31, 2021
i) Principal amount due to suppliers under MSMED Act	Nil	Nil
ii) Interest accrued and due to suppliers under MSMED Act on the above amount	Nil	Nil
iii) Payment made to suppliers (other than interest) beyond appointed day during the year	Nil	Nil
iv) Interest paid to suppliers under MSMED Act	Nil	Nil
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil
vi) Interest due and payable to suppliers under MSMED Act towards payments already made	Nil	Nil
vii) Interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil

**Trade Payables ageing schedule as at 31 March 2022**

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	73.67	13.91	1.85	-	89.43
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	-	-	73.67	13.91	1.85	-	89.43

**Trade Payables ageing schedule as at 31 March 2021**

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	147.15	1.85	-	-	149.00
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	-	-	147.15	1.85	-	-	149.00

**23 Other financial liabilities - current**

Interest accrued but not due	250.96	214.93
Creditors for capital goods	1.74	-
	<b>252.71</b>	<b>214.93</b>

**24 Other current liabilities**

Advance from Customers	243.77	128.65
Other payables	576.97	470.62
Statutory dues payables	626.83	344.08
	<b>1,447.57</b>	<b>943.34</b>

**25 Current tax Liabilities (net)**

PROVISION FOR CURRENT TAX (Net)	814.10	-
Less- Prepaid taxes	(779.91)	-
	<b>34.19</b>	-

Notes to the Financial Statements for the period ended 31 March, 2022  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>26 Revenue from operations</b>		
Sale of products	24,008.27	15,410.12
	<u>24,008.27</u>	<u>15,410.12</u>
<b>27 Other income</b>		
Interest income on bank deposits	8.98	0.15
Interest income from loans & advances	3.70	3.70
Fair value gain on investment measured at FVTPL	11.70	11.28
Gain on disposal of property, plant & equipments	154.44	295.96
Provision/ miscellaneous balance written back	10.93	10.51
Dividend Income	0.17	
Miscellaneous income	62.52	1.30
	<u>252.44</u>	<u>322.90</u>
<b>28 Cost of materials consumed</b>		
Opening stock of raw material	384.72	272.95
Add: Purchase during the year	3,286.57	2,758.67
	<u>3,671.29</u>	<u>3,031.62</u>
Less: Closing stock of raw material	225.34	384.72
	<u>3,445.95</u>	<u>2,646.90</u>
<b>29 Purchase of stock-in-trade</b>		
Purchase of stock-in-trade	5.51	28.50
	<u>5.51</u>	<u>28.50</u>
<b>30 Changes in inventories of finished goods and work-in progress</b>		
<b>Finished goods</b>		
-Opening stock	621.25	132.25
-Closing stock	175.21	621.25
	<u>446.03</u>	<u>(489.00)</u>
<b>Work-in-progress</b>		
-Opening stock	408.97	378.67
-Closing stock	263.02	408.97
	<u>145.95</u>	<u>(30.30)</u>
	<u>591.98</u>	<u>(519.30)</u>
<b>(Increase)/decrease in inventories of finished goods and work-in progress</b>		
<b>31 Employee benefits expense</b>		
Salaries, wages, allowances & other benefits	1,181.76	920.13
Gratuity fund contributions (Refer note no. 38)	27.37	28.57
Contribution to provident & other funds (Refer note (a) below)	45.67	42.01
Staff welfare expenses	52.62	35.83
	<u>1,307.43</u>	<u>1,026.53</u>
Note (a) - Defined contribution plan		
Amount recognized in the statement of profit & loss account		
(i) Provident fund	41.06	36.91
(ii) Employee state insurance	4.61	5.10
	<u>45.67</u>	<u>42.01</u>
<b>32 Finance costs</b>		
Interest on		
-Loan from banks	177.27	211.17
-Lease liabilities	59.18	8.21
Other borrowing cost	240.70	179.95
	<u>477.15</u>	<u>399.34</u>
<b>33 Depreciation and amortisation expenses</b>		
Depreciation and amortisation expenses	653.55	603.14
Depreciation on right-of-use assets	55.68	37.78
Amorisation of intangible assets	17.12	-
	<u>726.35</u>	<u>640.92</u>

Notes to the Financial Statements for the period ended 31 March, 2022  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>34 Other expenses</b>		
Consumption of stores and spares	392.76	167.28
Business promotion expenses	28.09	32.88
Computer expenses	1.21	1.24
<b>Repairs and maintenance</b>		
-Plant & machinery	289.90	180.31
-Building	10.34	8.24
-Others	2.55	0.35
Rent expenses	108.82	47.44
Rates and taxes	156.26	110.64
<b>Auditor's remuneration</b>		
-Audit fee	4.00	4.00
-Tax audit fee*	1.60	1.60
-Audit expenses	0.40	0.39
Bank charges	1.17	0.88
Insurance charges	63.55	41.80
Travelling and conveyance	109.79	93.41
Publicity and advertisement expenses	6.71	1.57
Communication expenses	6.36	8.42
Freight & forwarding expenses (Net)	104.01	101.31
General charges	32.74	14.11
Legal and professional expenses	57.25	64.12
Manufacturing expenses	58.25	53.26
Office expenses	7.46	6.49
Printing & stationery	6.93	5.95
Security charges	42.70	48.01
Subscription charges	3.74	3.71
Water & electricity expenses	6.68	3.95
Commission expenses	1.11	-
Loss on foreign exchange fluctuation	9.30	0.01
Corporate social responsibility expenses#	29.00	102.25
Misc. balance written off	62.58	-
	<b>1,605.26</b>	<b>1,103.63</b>

\*Paid to other than statutory auditors

**# Details of Corporate Social Responsibility (CSR) expenditure is as follows:**

The requisite disclosure relating to the CSR expenditure in terms on guidance note on corporate social responsibility issued by Institute of chartered accountant of India.

i) Gross amount required to be spent by the Company during the year (i.e. 2% of Average Net profits u/s 198 of Companies Act, 2013 of last three years): Rs. 28.46 lakhs and actually spent Rs. 29 lacs)and spend during previous year ended on March 31, 2021 was Rs. 102.25 lakhs.

Details of CSR amount spent and location

Implementing Agency	Amount Spent	Purpose / Location
Karuna care Foundation	2.00	Promoting Health care (Haryana)
Dupty Conservator of Forest	2.00	Environment Sustainability (Rajasthan)
Mata Krishnawati Memorial Educational Society	25.00	Upliftment of Education of Children and Elders (NCR)
	<b>29.00</b>	

Purpose for which expenditure incurred	For the year ended March 31, 2022	For the year ended March 31, 2021
-Construction/acquisitions of any asset	-	-
-On purpose other than above mentioned	29.00	102.25
Amount yet to be spent	-	-
<b>Total</b>	<b>29.00</b>	<b>102.25</b>

**Note :**

During the year the Company was required to spend an amount of Rs. 28.46 lakhs . The actual amount spent of Rs. 29 lakhs represents CSR expenditure for the current year. During the financial year 2020-21 expenditure incurred Rs. 102.25

**Notes to the Financial Statements for the period ended 31 March, 2022**  
(All amounts in INR Lakhs, unless otherwise stated)

CSR Details			
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
A) Amount required to be spent during the year	28.46		41.77
B) Unspent amount of previous year	-		59.64
C) Total (A+B)	28.46		101.41
D) Expenditure during the year on-	-		-
(i) Construction/ acquisition of any asset	-		-
(ii) On purposes other than (i) above	29.00		102.25
E) Total	29.00		102.25
F) Set off available for succeeding years (E-C)	-		-
G) Shortfall amount deposited in Fund specified in Schedule VII, within a period of six months of the expiry of the financial year (C-E)	-		-

CSR Calculation	
Financial Year	Net Profit (PBT)
2020-21	(535.07)
2019-20	1,429.73
2018-19	3,375.03
<b>Average Profit</b>	<b>1,423.23</b>
2% requirement	28.46

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>35 Tax expenses</b>		
Income tax expense recognised in statement of profit and loss		
Current tax	814.10	-
Deferred tax charge	609.21	(35.02)
Earlier years tax adjustments (net)	-	-
	<b>1,423.31</b>	<b>(35.02)</b>

The reconciliation of tax expense based on the domestic effective tax rate of at 29.12% (31 March 2021: 27.82%) and the reported tax expense in statement of profit or loss is as follows:

Profit Before Tax	4,651.69	(239.11)
Income tax using the Company's domestic tax rate	1,354.57	-
<b>Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense</b>		
Non-deductible expenses	257.04	-
Non-taxable income & Deductions	(362.08)	-
Rebate under Income Tax	(4.22)	-
Deferred tax assets not recognised as realisation is not probable	-	-
MAT Credit Entitlement	(211.64)	-
Previous years loss adjustment	(219.57)	-
Others	-	-
Deferred Tax	609.21	(35.02)
<b>Tax expenses as per statement of profit and loss account</b>	<b>1,423.31</b>	<b>(35.02)</b>

<b>36 Earnings per share</b>		
Net profit for the year	3,228.38	(204.09)
Total number of equity shares outstanding at the beginning of the year	25153861	25153861
Total number of equity shares outstanding at the end of the year	25153861	25153861
Weighted average number of equity shares	25153861	25153861
Nominal value of equity share	10.00	10.00
(1) Basic (Rs.)	12.83	(0.81)
(2) Diluted (Rs.)	12.83	(0.81)

**Notes to the Financial Statements for the year ended March 31, 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**37 Related party disclosures**

The nature of relationship and summary of transactions with related parties are summarised below

**a) Name of the related party and nature of their relationship**

Name of key managerial personnel (KMP)	Designation
Mr. Rakesh Ahuja (till 28-09-2021)	Non Executive Director
Mr. Ajay Virmani	Managing Director
Ms. Srithi Dhir (w.e.f.23-08-2021)	Non Executive Director
Mr. Madhav Dhir	Executive Director
Mr. Yuvraj Ahuja (till 18-08-2021)	Non Executive Director
Mr. Rajbir Singh Makhni	Independent Director
Mr. Pawan Kumar Nayyar	Independent Director
Mr. Sandeep Chaudhari (till 18-08-2021)	Independent Director
Ms. Poonam Bisht	Independent Director
Mr. Rajendra Prasad Chauhan (till 26-10-2021)	Independent Director
Mr. Sandeep Singh	Independent Director
Mr. Deepak Mathur	Executive Director
Mr. Rajiv Kumar	Chief Financial Officer
Mr. Dipendra Chaudhary (till 20-08-2021)	Company Secretary
Mr. Nitesh Anand (w.e.f 01-09-2021)	Company Secretary

**Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions has been undertaken**

Cirrus Chemicals Pvt. Ltd.  
Yuvaraj International Limited  
Chanduka Trading Private Limited  
Cynet Projects Private Limited  
Opus Reality Development Limited  
Shiva Consultants Limited

**b) The following transactions were carried out during the year with related parties in the ordinary course of business:-**

Particulars	Year	Key managerial personnel (KMP)	Entities in which KMP/Relatives of KMP can exercise significant influence
Remuneration	31 March 2022	430.38	-
	31 March 2021	203.46	-
Sales of goods	31 March 2022	-	799.51
	31 March 2021	-	447.90
Purchase of goods	31 March 2022	-	-
	31 March 2021	-	-
Loan taken	31 March 2022	-	1,735.00
	31 March 2021	400.00	548.00
Loan repaid	31 March 2022	972.34	2,779.80
	31 March 2021	179.00	875.00
Interest expense	31 March 2022	-	187.33
	31 March 2021	-	151.61

**Closing balance with related parties in the ordinary course of business:-**

Loan taken	31 March 2022	-	988.00
	31 March 2021	972.34	2,032.80
Trade receivable	31 March 2022	-	26.41
	31 March 2021	-	621.90
Remuneration Payable	31 March 2022	129.02	-
	31 March 2021	20.16	-
Interest Payable	31 March 2022	-	154.63
	31 March 2021	-	140.24
Other receivables	31 March 2022	-	1.26
	31 March 2021	-	0.82

Particulars	31 March 2022	31 March 2021
Short term employee benefits	428.38	201.49
Defined contribution plan	2.00	1.97

**Terms & Condition of transactions with related party:**

(i) All related party transactions entered during the year were in the ordinary course of business & are on arm's length basis

Notes to the Financial Statements for the year ended March 31, 2022  
(All amounts in INR Lakhs, unless otherwise stated)

38 Employee benefits

A Compensated absences - earned leave

*Risk*

Salary Increases	Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment Risk	If plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount Rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

i) Amounts recognised in the balance sheet:

Particulars	31 March 2022	31 March 2021
Present value of the obligation	129.18	114.89
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	129.18	114.89
<b>Current liability (amount due within one year)</b>	<b>71.79</b>	<b>63.49</b>
Non-current liability (amount due over one year)	57.39	51.40

ii) Expenses recognised in statement of profit and loss:

Particulars	31 March 2022	31 March 2021
Current service cost	13.29	12.10
Interest cost	7.81	7.47
<b>Cost recognised during the year</b>	<b>21.10</b>	<b>19.56</b>

iii) Actuarial (gain)/loss on obligation:

Particulars	31 March 2022	31 March 2021
Actuarial (gain)/loss net on account of:		
-Changes in demographic assumptions	-	-
-Changes in financial assumptions	(2.24)	-
-Changes in experience adjustment	(1.53)	(11.89)
	<b>(3.77)</b>	<b>(11.89)</b>

iv) Movement in the liability recognised in the balance sheet is as under:

Particulars	31 March 2022	31 March 2021
Present value of defined benefit obligation at the beginning of the year	114.89	109.80
Current service cost	13.29	12.10
Interest cost	7.81	7.47
Actuarial (gain)/loss net	(3.77)	(11.89)
Benefits paid	(3.03)	(2.58)
<b>Present value of defined benefit obligation at the end of the year</b>	<b>129.18</b>	<b>114.89</b>

v) (a) For determination of the liability of the Company the following actuarial assumptions were used:

Particulars	31 March 2022	31 March 2021
Discount rate	6.80%	6.80%
Salary escalation rate	5.00%	5.00%
Retirement Age (years)	58.00	58.00
Ages	<b>Withdrawal rate (%)</b>	
Up to 30 Years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Leave		
Leave availment rate	20.00%	20.00%

Mortality rates inclusive of provision for disability -100% of IALM 2012-14. Ultimate rates has been assumed which also includes the allowance for disability benefits.

(b) Maturity profile of defined benefit obligation

Particulars	31 March 2022	31 March 2021
0 to 1 year	70.33	62.13
1 to 2 year	12.53	3.02
2 to 3 year	6.36	11.25
3 to 4 year	2.69	5.63
4 to 5 year	0.83	2.21
5 to 6 year	3.65	0.72
6 year onwards	50.83	42.82

vi) Sensitivity analysis for compensated absences liability

Particulars	31 March 2022	31 March 2021
<b>a) Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	129.18	114.89
Impact due to increase of 0.50 %	(6.56)	(3.21)
Impact due to decrease of 0.50 %	0.66	2.89
<b>b) Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	129.18	114.89
Impact due to increase of 0.50 %	(6.74)	(3.29)
Impact due to decrease of 0.50 %	0.67	2.97

Sensitivities due to mortality and withdrawals are insignificant and hence ignored.

Notes to the Financial Statements for the year ended March 31, 2022  
(All amounts in INR Lakhs, unless otherwise stated)

**B Gratuity**

**Risk**

Salary Increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment Risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount Rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**i) Amounts recognised in the balance sheet:**

Particulars	31 March 2022	31 March 2021
Present value of the obligation	193.19	181.83
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	193.19	181.83
<b>Current liability (amount due within one year)</b>	<b>82.97</b>	<b>76.74</b>
<b>Non-current liability (amount due over one year)</b>	<b>110.22</b>	<b>105.09</b>

**ii) Loss recognised in other comprehensive income:**

Particulars	31 March 2022	31 March 2021
Actuarial loss on asset	-	-
Actuarial loss on PBO	(3.02)	(25.22)
<b>Loss recognised in other comprehensive income</b>	<b>(3.02)</b>	<b>(25.22)</b>

**iii) Actuarial (gain)/loss on obligation:**

Particulars	31 March 2022	31 March 2021
Actuarial (gain)/loss net on account of:		
-Changes in demographic assumptions	-	-
-Changes in financial assumptions	(3.03)	-
-Changes in experience adjustment	0.01	(25.22)
	<b>(3.02)</b>	<b>(25.22)</b>

**iv) Expenses recognised in statement of profit and loss**

Particulars	31 March 2022	31 March 2021
Current service cost	15.01	15.99
Interest cost	12.36	12.58
<b>Cost recognised during the year</b>	<b>27.37</b>	<b>28.57</b>

**v) Movement in the liability recognised in the balance sheet is as under:**

Particulars	31 March 2022	31 March 2021
Present value of defined benefit obligation at the beginning of the year	181.83	185.02
Current service cost	15.01	15.99
Past service cost	-	-
Interest cost	12.36	12.58
Actuarial loss (net)	(3.02)	(25.22)
Benefits paid	(12.99)	(6.54)
<b>Present value of defined benefit obligation at the end of the year</b>	<b>193.19</b>	<b>181.83</b>

**vi) (a) For determination of the liability of the Company the following actuarial assumptions were used:**

Particulars	31 March 2022	31 March 2021
Discount rate	6.80%	6.80%
Salary escalation rate	5.00%	5.00%
Retirement age (years)	58.00	58.00
Withdrawal rate		
Up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Weighted average duration of PBO		

Mortality rates inclusive of provision for disability -100% of IALM 2012-14. Ultimate rates has been assumed which also includes the allowance for disability benefits.

**(b) Maturity profile of defined benefit obligation:**

Particulars	31 March 2022	31 March 2021
0 to 1 year	83.80	77.06
1 to 2 year	31.81	7.68
2 to 3 year	19.98	28.27
3 to 4 year	12.19	17.75
4 to 5 year	1.24	13.07
5 to 6 year	5.97	1.05
6 year onwards	64.90	58.55

**vii) Sensitivity analysis for gratuity liability:**

Particulars	31 March 2022	31 March 2021
<b>a) Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	193.19	181.83
Impact due to increase of 0.50 %	(4.59)	(4.65)
Impact due to decrease of 0.50 %	4.19	4.25
<b>b) Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	193.19	181.83
Impact due to increase of 0.50 %	4.31	4.37
Impact due to decrease of 0.50 %	(4.72)	(4.78)

Sensitivities due to mortality and withdrawals are insignificant and hence ignored.

Notes to the Financial Statements for the year ended March 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

**39 Lease related disclosures**

The Company has lease for office building and factory lease hold land. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability as a borrowings. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of Ind-AS 116 are only applied after that date.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office building the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

**A Lease payments not included in measurement of lease liability**

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	March 31, 2022	March, 31 2021
Short-term leases	106.44	27.00
Leases of low value assets	2.38	0.56
Variable lease payments	-	-

**B** Total cash outflow for leases for the year ended 31 March 2022 was Rs 187.46 lakh(i.e.108.82 is short term and Rs 78.64 is long term ) [Previous year 2020-21 Rs. 90.87 lakh( i.e.47.44 is short term and Rs 43.43 is long term )]

**C Maturity of lease liabilities**

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March 2022	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
<b>Office Building at Delhi</b>							
Lease payments	58.56	59.82	66.17	66.17	67.60	211.80	530.12
Interest expense	31.84	29.46	26.25	22.59	18.58	23.94	152.66
<b>Net present values</b>	<b>26.72</b>	<b>30.36</b>	<b>39.92</b>	<b>43.58</b>	<b>49.02</b>	<b>187.86</b>	<b>377.46</b>
<b>Factory Land at Alwar</b>							
Lease payments	20.08	20.08	20.08	20.08	20.08	1,555.06	1,655.46
Interest expense	25.52	26.00	26.51	27.06	27.67	1,227.76	1,360.52
<b>Net present values</b>	<b>-5.44</b>	<b>-5.92</b>	<b>-6.43</b>	<b>-6.98</b>	<b>-7.59</b>	<b>327.30</b>	<b>294.94</b>

**D** Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2022 is of Rs. Nil. (Previous year as on 31 March 2021 is NIL)

**E Information about extension and termination options**

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office building	1	7.83 years	7.83 years	0	0	1
Factory Land	1	57 years	57 years	0	0	1

**Notes to the Financial Statements for the year ended March 31, 2022**  
(All amounts in INR Lakhs, unless otherwise stated)

**40A Financial instruments**

**(i) Fair values hierarchy**

Financial assets and financial liabilities measured at fair value in the statement of financial position are classified into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**(ii) Financial assets measured at fair value - recurring fair value measurements**

	March 31, 2022	March 31, 2021	Level	Valuation techniques and key inputs
Investment in equity instruments	26.40	14.91	Level 1	Fair value of equity instruments have been determined using the quoted market price. Net asset value (NAV) obtained from an active market.
Investment in mutual funds	4.49	3.95	Level 1	
<b>Total</b>	<b>30.88</b>	<b>18.86</b>		

**(iii) Fair value of instruments measured at amortised cost**

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	Level	March 31, 2022		March 31, 2021	
		Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>					
Investments	Level 3	-	-	0.32	0.32
Loans	Level 3	42.26	42.26	49.87	49.87
Trade receivable	Level 3	1,433.95	1,433.95	2,131.49	2,131.49
Cash and cash equivalents	Level 3	3,110.64	3,110.64	19.75	19.75
<b>Total financial assets</b>		<b>4,586.85</b>	<b>4,586.85</b>	<b>2,201.43</b>	<b>2,201.43</b>
<b>Financial liabilities</b>					
Borrowings	Level 3	3,477.68	3,477.68	6,059.98	6,059.98
Trade payables	Level 3	89.43	89.43	149.00	149.00
Other financial liabilities	Level 3	250.96	250.96	214.93	214.93
<b>Total financial liabilities</b>		<b>3,818.08</b>	<b>3,818.08</b>	<b>6,423.91</b>	<b>6,423.91</b>

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Other non-current financial assets and non-current borrowings bear a market interest rate and hence their carrying amounts are also considered a reasonable approximation of their fair values.

**iv) Financial instruments by category**

Particulars	March 31, 2022			March 31, 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments	30.88	-	-	18.86	-	0.32
Loan - security deposits	-	-	-	-	-	-
Loan - employees	-	-	2.26	-	-	2.85
Loan - Other	-	-	40.00	-	-	47.02
Other financial assets	-	-	-	-	-	-
Trade receivables	-	-	1,433.95	-	-	2,131.49
Cash and cash equivalents	-	-	3,110.64	-	-	19.75
<b>Total</b>	<b>30.88</b>	<b>-</b>	<b>4,586.85</b>	<b>18.86</b>	<b>-</b>	<b>2,201.43</b>
<b>Financial liabilities</b>						
Borrowings	-	-	3,477.68	-	-	6,059.98
Trade payable	-	-	89.43	-	-	149.00
Other financial liabilities	-	-	250.96	-	-	214.93
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,818.08</b>	<b>-</b>	<b>-</b>	<b>6,423.91</b>

**40B Financial risk management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

**A) Credit risk**

Credit risk is the risk that a counterparty fails to discharge an obligation to the company. The company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.

- cash and cash equivalents,
- trade receivables,
- loans & receivables carried at amortised cost, and
- deposits with banks

**Credit risk management**

*Credit risk rating*

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- A: Low
- B: Medium
- C: High

Notes to the Financial Statements for the year ended March 31, 2022  
(All amounts in INR Lakhs, unless otherwise stated)

Assets under credit risk –

Credit rating	Particulars	March 31, 2022	March 31, 2021
Low	Loans	42.26	49.87
	Investments	-	0.32
	Cash and cash equivalents	3,110.64	19.75
	Trade receivables	1,433.95	2,131.49

*Cash & cash equivalents and bank deposits*

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

*Trade receivables*

Company's trade receivables are considered of high quality and accordingly no life time expected credit losses are recognised on such receivables.

*Other financial assets measured at amortised cost*

Other financial assets measured at amortized cost includes advances to employees. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

**B) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**Maturities of financial liabilities**

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March 2022	Less than 1 year	1-5 year	More than 5 years	Total
Borrowings	451.76	2,918.10	107.82	3,477.68
Trade payable	73.67	15.76	-	89.43
Other financial liabilities	220.39	30.57	-	250.96
<b>Total</b>	<b>745.83</b>	<b>2,964.43</b>	<b>107.82</b>	<b>3,818.08</b>

31 March 2021	Less than 1 year	1-5 year	More than 5 years	Total
Borrowings	2,488.35	3,571.63	-	6,059.98
Trade payable	147.15	1.85	-	149.00
Other financial liabilities	214.93	-	-	214.93
<b>Total</b>	<b>2,850.43</b>	<b>3,573.48</b>	<b>-</b>	<b>6,423.91</b>

**C) Market risk**

**a) Interest rate risk**

The Company is not exposed to changes in market interest rates as all of the borrowings are at fixed rate of interest. Also the Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**b) Price risk**

**Exposure**

The Company's exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments in mutual funds and equity investment, the Company diversifies its portfolio of assets.

**Sensitivity**

Below is the sensitivity of profit or loss and equity to changes in fair value of investments, assuming no change in other variables:

Particulars	March 31, 2022	March 31, 2021
<b>Price sensitivity</b>		
Price increase by 5%	1.54	0.94
Price decrease by 5%	(1.54)	(0.94)

**41 Segment information**

The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e. Caustic soda and other chemicals, which as per Ind AS 108 on "Segment Reporting" as specified under Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) is considered to be the only operating segment. The Company is primarily operating in India which is considered as a single geographical segment.

**42 Details of assets pledged/ hypothecated as security:**

The carrying amounts of assets pledged/ hypothecated as security for current and non-current borrowings are:

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
Inventories	1,519.05	2,168.16
Trade receivables	1,433.95	2,131.49
Cash and cash equivalents and other bank balances	3,110.64	19.75
Other current assets	660.33	700.20
<b>Non Current</b>		
Property, plant and equipment	11,830.35	11,674.10

**Notes to the Financial Statements for the year ended March 31, 2022**

(All amounts in INR Lakhs, unless otherwise stated)

**43 Contingent liabilities and commitments**  
(to the extent not provided for)

**A Contingent liabilities**

Particulars	Period to which the amount relates	For the year ended 31 March 2022	For the year ended 31 March 2021
In respect of Entry tax disputes pending with judicial authorities	2003-11	-	27.28
<b>Total</b>		<b>-</b>	<b>27.28</b>

**B Commitments (net of advance):**

Estimated amount of contracts remaining to be executed on capital account Rs. 53 Lakh, (Previous year: 31 March 2021: Rs. 19 lakhs).

44 Unclaimed amount in respect of debentures and excess share application money refundable Rs. 11.64 lakhs, (Previous year: 31 March 2021: 11.64 lakhs ) is required to be transferred to the "Investor education and protection fund" in terms of section 125 of the companies act, 2013. the company is taking steps to reconcile the above accounts and deposit the amount with the appropriate authorities.

**45 Impact of Covid-19:**

On account of COVID-19 pandemic, nationwide lockdown was imposed by Government of India effective March 24, 2020 which extended for a couple of months in varied parts of the country and in varied forms. The outbreak of Coronavirus (COVID-19) Pandemic globally and in India has caused significant disturbance and slowdown of economic activity.

Consequent to these uncertainties caused due to continuation of pandemic, the Company has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these financial statements and has done a detailed assessment for carrying amount of financial and non-financial assets and does not anticipate any impairment to these assets. Also, the management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The situation though is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future spread of COVID-19 and due to which the Company will continue to closely monitor any material changes to future economic conditions, if any.

**46 Authorisation of financial statements**

These financial statements for the year ended 31 March 2022 were approved by the Board of Directors on 20th May 2022.

47 The figures have been rounded off to the nearest Rs. lakhs upto two decimals.

**48 Additional Regulatory Information:**

- Company has no freehold immovable property during the year.
- The Company has not revalued its Property, Plant and Equipments during the year.
- The company has not made any loan or advances in the nature of loans to promoters, directors, KMPs, and the related parties .
- The company do not own or hold any Benami Property under the Benami Transactions (Prohibition) Act,1988(45of 1988) and the rules made there under.
- The statements of current assets filed by the company with banks are in agreement with the books of accounts.
- The company is not declared a Willful Defaulter by any bank or financial institutions.
- The company do not have any transactions with companies stuck off under section 248 of the companies Act,2013 or section 560 of companies Act,1956.
- All Registration of charges or satisfaction are registered with Registrar of Companies (ROC).
- No Scheme(s) of Arrangements has been approved by the competent authority in terms of section 230 to 237 of the companies Act,2013 .
- The company has utilised long term borrowed fund for long term purpose only and short term fund for short term purpose only.
- During the year no income was surrendered or disclosed as income in the Tax Assessments
- The company has not dealt in Crypto Currency during the year.
- The company is not having downstream companies or layers of companies prescribed under clause (87) of section 2 of the Act read with companies (Restriction on number of layers) Rules,2017.
- The Company has not advanced or loaned or invested funds to any other person or entities with an understanding that the intermediary will invest or provide any guarantee, security or the like to or on behalf of ultimate beneficiaries .
- The Company has not received any fund from any person (s) or entity(s), including foreign entities( Funding party) with the understanding that the company shall directly or indirectly invest or provide any guarantee, security or the like to or on behalf of funding party.

**49 Key Financial Ratio Analysis**

Particulars	Formula	FY 2021-22	FY 2020-21	% Variance	Detailed Explanation of Ratios :
Current Ratio	Current Assets / Current Liability	2.73	1.30	110%	Current Ratio has improved as compared to previous year due to increase in Turnover and improved in margin .
Debt-to-Equity Ratio	Debts / Equity Shareholder Fund	0.72	1.14	-37%	Debt Equity ratio has improved due to increase in net worth and decrease in debt as compared to previous year.
Debt Service Coverage Ratio	EBDITA / Interest + Principal	2.86	1.61	77%	DSCR has significantly improved due to higher profit in current year
Return on Equity Ratio	PAT / Equity Shareholder Fund	0.28	-0.02	1242%	Return on Equity has significantly improved due to higher profit in current year
Inventory Turnover Ratio	Turnover / Avg Inventory	13.02	8.42	55%	Inventory Turnover has improved due to increased in selling price and better inventory management.
Receivables turnover	Sales / Trade Receivable	13.47	8.04	67%	Receivables Turnover has improved due to increased in selling price and better management of debtors.
Trade Payable Turnover Ratio	Purchase / Trade Payable	166.55	89.21	87%	Trade Payable Turnover Ratio has decreased due to shrink in credit period of suppliers and strict market condition.
Net Capital Turnover Ratio	Sales/Average Working Capital	8.77	10.36	-15%	Net Capital Turnover Ratio has decreased due to surplus fund available on account of significant increase in profitability in current year.
Net Profit Margin Ratio (%)	Net Income / Net Sales	13.45%	-1.32%	1115%	Net Profit Margin Ratio has improved due to significant increase in turnover and profitability in current year.
Return on Capital Employed	EBIT/ Total Assets - Current Liabilities	0.29	0.01	2451%	Return on Capital Employed Ratio has increased due to significant increase in turnover and profitability in current year.
Return on Investment (%)	EBIT/Average Operating Assets	27.03%	0.91%	2858%	Return on Investment Ratio has increased due to significant increase in turnover and profitability in current year.

For M/s Nemani Garg Agarwal & Co  
Chartered Accountants  
Firm Registration No. 010192N  
UDIN No 22037222AJIOLL7281

CA. Shashi Kant Nemani  
Partner  
Membership No. 037222  
UDIN :

Madhav Dhir  
Director  
DIN 07227587

Nitesh Anand  
Company Secretary  
M. No. A28698

Place: New Delhi  
Date: 20th May, 2022

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

Ajay Virmani  
Managing Director  
DIN 00758726

Rajiv Kumar  
Chief Financial Officer  
M. No. 508277

**LORDS CHLORO ALKALI LIMITED**  
CIN No. : L24117RJ1979PLC002099  
**Registered Office:** SP-460, MIA, Alwar Rajasthan-301 030  
**Corporate Office :** A-281, 1<sup>st</sup> Floor, Defence Colony, New Delhi -110024  
**Email Id.:** [secretarial@lordschloro.com](mailto:secretarial@lordschloro.com) **Ph. No. :** 011- 40239034/35/36/37/38  
Website: www.lordschloro.com

**ATTENDANCE SLIP**

**Name(s) of Member (s) :**  
**(In block letters (including joint holders, if any))**  
**Registered Address of the sole / :**  
**First named member**

**Registered Folio No. /**  
**DPID No. & Client ID No.**

**No. of Shares held**

I/ we hereby record my/our presence at the Annual General Meeting of the company being held on Friday 30<sup>th</sup> September, 2022 at 11.00 A.M. at registered office of the Company at SP- 460, Matsya Industrial Area, Alwar (Rajasthan) 301030.

**Signature of the Member/ Proxy present.....**

**Notes:**

1. Member/ Proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and handover at the entrance duly signed.
2. Please cut here and bring the above attendance slip to the meeting.

**E-VOTING INFORMATION**

<b>EVEN (Electronic Voting Event Number)</b>	<b>User ID</b>	<b>Default PAN/Sequence Number</b>

*Please see note no. 15 to the Notice dated 31<sup>st</sup> August, 2022 convening the AGM for the procedure with respect to e-voting.*

**Note: The remote e-voting period commences on 26<sup>th</sup> September, 2022 at 9:00 A.M. and ends on 29<sup>th</sup> August, 2022 at 5:00 P.M (at 5.00 P.M. IST)**

**LORDS CHLORO ALKALI LIMITED**

**Registered Office:** SP-460, MIA, Alwar Rajasthan-301 030  
**Corporate Office :** A-281, 1<sup>st</sup> Floor, Defence Colony, New Delhi -110 024  
**CIN No. :** L24117RJ1979PLC002099; **Ph. No. :** 011 40239034/35  
**Email Id.:** [secretarial@lordschloro.com](mailto:secretarial@lordschloro.com); **Website:** [www.lordschloro.com](http://www.lordschloro.com)

**FORM NO. MGT-11**

**PROXY FORM**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name of the member (s):
Registered address:
E-mail Id:
DP ID and Client Id / Folio No.

I/We, being the member (s) of .....shares of the above named company, hereby appoint

- |                  |                                 |
|------------------|---------------------------------|
| 1. Name: .....   | Address: .....                  |
| E-mail Id: ..... | Signature:..... or failing him  |
| 2. Name: .....   | Address: .....                  |
| E-mail Id: ..... | Signature:....., or failing him |
| 3. Name: .....   | Address: .....                  |
| E-mail Id: ..... | Signature:.....                 |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 43<sup>rd</sup> Annual General Meeting of the Company, to be held on Friday, 30<sup>th</sup> September, 2022 at 11:00 A.M. at the Registered office of the Company at SP-460, MIA, Alwar Rajasthan 301001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Ordinary Business	Optional*	
		For	Against
1.	To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on 31 <sup>st</sup> March, 2022 and the reports of the Board of Directors and Auditors thereon..		
2.	To appoint Ms. Srishti Dhir (DIN: 06496679), who retires by rotation at this meeting and being eligible has offered herself for reappointment.		
	<b>Special Business</b>		
3.	Appointment of Ms. Sakshi Vashisth (DIN: 08645425) as an Independent Director of the Company.		
4.	Appointment of Ms. Shubha Singh (DIN:06926872) as an Independent Director of the Company.		
5.	Appointment of Shri Amia Kumar Singh (DIN:06646842) as an Independent Director of the Company:		
6.	To ratify the remuneration of the Cost Auditors for the Financial Year 2022-23.		

\* It is optional to put “x” in the appropriate column against the resolutions indicated in the box. If you leave the ‘ For’ or ‘Against’ column blank against any or all resolutions, your proxy will be entitle to vote in the manner as he/she thinks appropriate.

Signed this..... day of.....

Signature of Member

Signature of first Proxy holder .....

Signature of second Proxy holder .....

Signature of third Proxy holder .....

Affix the revenue stamp of Rs. 1/-
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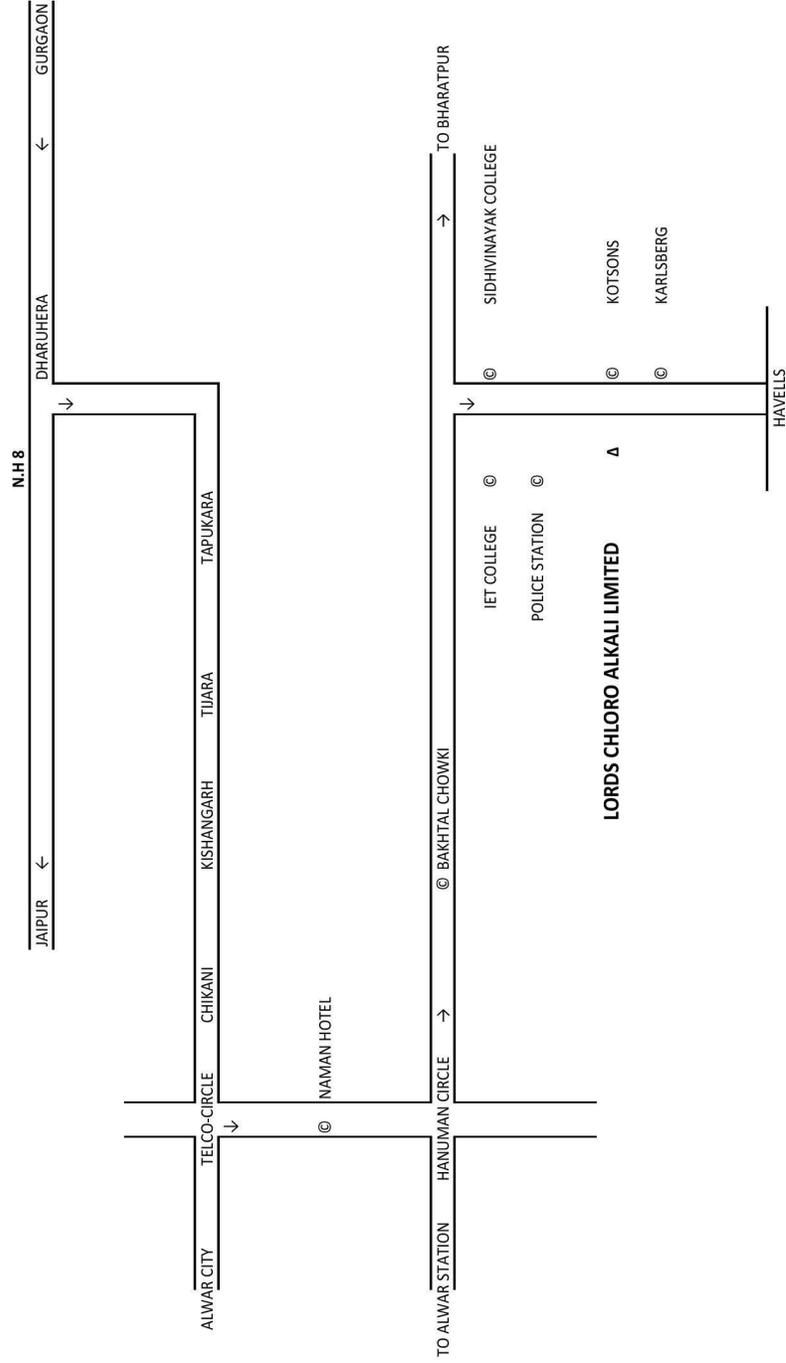
**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting i.e. by 11:00 A.M. 30<sup>th</sup> September, 2022.
2. For the Resolutions, Explanatory Statements and notes, please refer to the notice of the 43<sup>rd</sup> Annual General Meeting of the Company.
3. Please complete all details including detail of member(s) in above box before submission.





**Route Map of AGM venue**





BOOK POST

*If undelivered, please return to :*

**LORDS CHLORO ALKALI LIMITED**  
A-281, 1<sup>st</sup> Floor, Defence Colony, New Delhi-110024