



ALKALI METALS LTD.,

AN ISO 9001 & 14001 COMPANY AND EXPORT HOUSE

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ANNUAL REPORT 2014-15



BOARD OF DIRECTORS

DR. YADAV J.S.	CHAIRMAN
SRI. PRASAD CH. S.	DIRECTOR
SRI. PATNAIK P.C.	DIRECTOR
SRI. JAYARAMAN G.	DIRECTOR
SRI. VENKATA RAO Y. S. R.	MANAGING DIRECTOR
SMT. LALITHYA POORNA Y.	DIRECTOR
SRI. PRASHANTH Y.V.	EXECUTIVE DIRECTOR
SRI. DEEPAK TIBREWAL	COMPANY SECRETARY Till 8 th April 2015

BANKERS

STATE BANK OF INDIA
Commercial Branch,
Bank Street, Koti,
Hyderabad – 500 095

AUDITORS

M/s. C K S ASSOCIATES
CHARTERED ACCOUNTANTS
Nagarjuna #87, Road # 3,
Gaganmahal Colony,
Hyderabad – 500 029

REGISTERED OFFICE & FACTORIES

Plot B-5, Block III,
Industrial Dev. Area, Uppal,
HYDERABAD - 500 039.

Sy.No. 299 to 302,
Dommara Pochampally Village,
Qutubullapur Mandal, R.R.Dist.

Plot No. 36, 37 & 38
JN Pharma City,
Visakhapatnam

REGISTRARS AND SHARE TRANSFER AGENTS

M/s. CAMEO CORPORATE SERVICES LIMITED
Subramanian Building, No.1,
Club House Road,
Chennai – 600 002.

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 47th Annual General Meeting of M/s. Alkali Metals Limited will be held on Saturday, 19th September, 2015 at 11.00 A.M at Hotel Green Park, Ameerpet, Hyderabad-500 016 to transact the following business:

ORDINARY BUSINESS

- 1) To receive consider and adopt the Audited Balance Sheet as at 31st March, 2015 and the Profit & Loss Account for the year ended on that date and the reports of the Directors, Auditors thereon.
- 2) To elect a Director in place of Sri. Y. V. Prashanth, (DIN: 00345418) who retires by rotation and being eligible offers himself for re-appointment.
- 3) To ratify the appointment of M/s. C K S Associates, Chartered Accountants, Hyderabad as approved by the members at the 46th AGM as Statutory Auditors of the Company and to pass the following as an ordinary resolution:

“RESOLVED THAT pursuant to provisions of Section 139 of the Companies Act, 2013 and the rules made there under and pursuant to the resolution passed by the members at the AGM held on 21st August 2014, the appointment of M/s. C K S Associates, Chartered Accountants, Hyderabad (Peer Review Certificate No. 006803) as Statutory Auditors to hold office till the conclusion of AGM to be held in 2019 be and is hereby ratified and the Board be and is hereby authorized to fix the remuneration for the financial year ending 31st March 2016.”

SPECIAL BUSINESS

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded to the appointment of Sri. Y.V. Prashanth (Din: 00345418), Director as Executive Director of the Company, subject to retirement by rotation, for a period of 3 years with effect from 10th January 2015 on the following remuneration with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Sri. Y.V. Prashanth, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof:

Basic pay	: ₹ 75,000/- per month
H.R.A.	: ₹ 25,000/- per month
Medical benefit	: Medclaim policy for ₹ 0.5 Million
Insurance	: Accidental Insurance for ₹ 2.5 Million for self.
Leave Travel	: One month's basic pay per year which can be accumulated up to 2 years
Vehicle	: Company car with a driver for official use.
Telephone & Email	: Free Cell and email service for Official use.
Gratuity	: Half month's basic pay for each completed Year of service.



- 5) To consider and if thought fit, to pass with or without modification the following resolution as a Special resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded to the re-appointment of Sri. Y.S.R. Venkata Rao (Din: 00345524), Managing Director of the Company, for a period of 3 years with effect from 1st May 2015 on the following remuneration with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Sri. Y.S.R. Venkata Rao, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof:

Basic pay	: ₹ 225,000/- per month
H.R.A.	: ₹ 75,000/- per month
Medical benefit	: Medclaim policy for ₹ 0.5 Million
Insurance	: Accidental Insurance for ₹ 2.5 Million for self.
Leave Travel	: One month's basic pay per year which can be accumulated up to 2 years
Vehicle	: Company car with a driver for official use.
Telephone & Email	: Free Cell and email service for Official use.
Gratuity	: One month's basic pay for each completed Year of service.

By order of the Board of Directors

Sd/-

Y.S.R. VENKATA RAO
MANAGING DIRECTOR
DIN: 00345524

Place: Hyderabad
Date: 10.08.2015

**Notes**

- 1) The Statement Pursuant to section 102 of the Companies Act, 2013 with respect to special business set out in the Notice is annexed.
- 2) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and a proxy need not be a member.
- 3) The instrument appointing a proxy, to be effective, must reach the Registered Office of the Company not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting.
- 4) The Register of members and transfer books of the company will remain closed from Monday the 14th September 2015 to Saturday, the 19th September 2015 both days inclusive.
- 5) Members, who hold shares in electronic /Demat form are requested to furnish the change of address, details of their bank accounts, viz, name of the bank, full address of the branch, account no. etc., to their respective Depository Participants and who hold shares in physical form to the company's Registrars and Transfer Agents M/s. Cameo Corporate Services Ltd., Subramanian Building, No.1, Club House Road, Chennai – 600 002 so as to enable the Company to incorporate the bank details on the dividend warrants.
- 6) Pursuant to Section 72 of the Companies Act, 2013 and the Rules made there under the Members holding shares in single name may, at any time, nominate in form SH-13, any person as his/her nominee to whom the securities shall vest in the event of his/her death. Nomination would help the nominees to get the shares transmitted in their favour without any hassles. Members desirous of making any cancellation/variation in the said nomination can do so in SH-14.
- 7) Members seeking information or clarification on the Accounts are requested to send their queries in writing to the company one week before the date of AGM, to enable the management to prepare with replies.
- 8) Members holding shares in identical order of names in more than one folio are requested to write to the company's Registrars & Transfer Agents enclosing their share certificates to enable consolidation of their shareholdings in one folio.
- 9) Shareholders who have not claimed their dividend for the years 2008-09, 2009-10, 2010-11, 2011-12, 2012-13 and IPO Refund are requested to claim the same.
- 10) The brief profile of the directors being appointed, retiring and re-appointing are furnished elsewhere in the Annual Report.
- 11) The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
- 12) Members may also note that the notice of the 47th Annual General Meeting and Annual Report for 2015 will be available on the Company's website **www.alkalimetals.com**
- 13) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the members with facility to exercise their right to vote at the 47th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).



The e-voting period commences on Wednesday, 16th September 2015 (10:00 AM) and ends on Friday, 18th September 2015 (05:00 PM). During this period shareholders' of the Company, holding shares as on cut-off date of Saturday, 12th September 2015 either in physical form or in Dematerialized form, may cast their vote electronically. The e-voting portal shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company. A member who has cast his/her vote by electronic means are entitled to attend the AGM but not entitled to vote again at the AGM.

CS B. Venkatesh Babu, Company Secretary in Practice (F6708) has been appointed as the scrutinizer to scrutinize the e-voting process. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, will first count the votes cast at the meeting, and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and he will submit his report within the period not exceeding three working days from the conclusion of e-voting. The Chairman will declare the results on or after the AGM of the Company accordingly and will also be placed at the company website and also forward the same to the stock exchanges where the shares has been listed.

14) **The instructions for members for voting electronically are as under:-**

- (i) The voting period begins on Wednesday, 16th September, 2015 at 10:00 AM and ends on Friday, 18th September, 2015 at 05:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in Dematerialized form, as on the cut-off date (record date) of Saturday, 12th September 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website **www.evotingindia.com**
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your Demat account or in the company records for the said Demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.



- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Alkali Metals Limited> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT:

Item No. 4

Sri. Y.V. Prashanth has been appointed as Executive Director with effect from 10th Jan 2015 by the Board of Directors after the recommendation of the Remuneration Committee in compliance with the provisions of Companies Act, 2013 and other applicable rules, subject to approval of the members for a period of 3 years on such terms and conditions as set out in the resolution.

Your Directors recommend the above resolution set out in the notice to be passed as a Special Resolution for your approval.

Other than the following Directors, none of the Directors, Managers, Key Managerial Persons or their relatives are in any way concerned or interested, financial or otherwise, in the above resolution:



Name of the Director(s)/Manager/ Key Managerial Person/ Relative	Designation of Director(s)/Manager/ Key Managerial Person/ Relative	Nature of Concern or Interest, financial or otherwise in respect of the above resolution
Sri. Y.S.R. Venkata Rao	Managing Director	To the Extent of his Shareholding
Smt. Y. Lalithya Poorna	Director	To the Extent of her Shareholding
Sri. Y.V. Prashanth	Executive Director	To the Extent of his remuneration

Item No. 5

Sri. Y.S.R. Venkata Rao, Managing Director's term of appointment ended on 30th April 2015. The Board of Directors at their meeting held on 27th April 2015 has re-appointed Sri. Y.S.R. Venkata Rao as Managing Director for a period of 3 years with effect from 1st May 2015 by the Board of Directors after the recommendation of the Remuneration Committee in compliance with the provisions of Companies Act, 2013 and other applicable rules, subject to approval of the members on such terms and conditions as set out in the resolution.

Your Directors recommend the above resolution set out in the notice to be passed as a Special Resolution for your approval.

Other than the following Directors, none of the Directors, Managers, Key Managerial Persons or their relatives are in any way concerned or interested, financial or otherwise, in the above resolution:

Name of the Director(s)/Manager/ Key Managerial Person/ Relative	Designation of Director(s)/Manager/ Key Managerial Person/ Relative	Nature of Concern or Interest, financial or otherwise in respect of the above resolution
Sri. Y.S.R. Venkata Rao	Managing Director	To the Extent of his Shareholding and remuneration
Smt. Y. Lalithya Poorna	Director	To the Extent of her Shareholding
Sri. Y.V. Prashanth	Executive Director	To the Extent of his Shareholding

STATEMENT OF PARTICULARS AS PER SCHEDULE V: (Both for item 4 & 5)

A statement containing information required to be provided to the shareholders as per the provisions of Schedule V of Companies Act, 2013 in respect of appointment of Sri. Y.V. Prashanth as Executive Director and Re-appointment of Sri. Y.S.R. Venkata Rao as Managing Director, is given below:

I. GENERAL INFORMATION:

- (1) Nature of industry: Manufacturing of Drug Intermediaries mainly Sodium Derivatives, Pyridine Derivatives and Fine Chemicals.
- (2) Date or expected date of commencement of commercial production: Not applicable, as the Company is an existing Company.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
- (4) Financial performance based on given indicators



(All figures in ₹)

Particulars	2014-15	2013-14	2012-13
Sales & Other Income	691,548,531	664,837,545	627,144,843
Profit before finance charges, depreciation and taxation	101,512,407	35,223,105	69,875,506
Finance Charges	45,002,861	31,860,970	31,155,194
Depreciation	42,730,767	35,179,787	34,808,665
Profit/(Loss) before exceptional items and tax	13,778,779	(31,817,652)	3,911,647
Exceptional & Extraordinary items	10,738,010	(128,753)	--
Profit/(Loss) before Tax	3,040,769	(31,688,899)	3,911,647
Taxes including deferred tax	201,884	(12,067,926)	(43,640,320)
Net Profit	2,838,885	(19,620,973)	47,551,967

(5) Foreign Earnings, investments or collaborations, if any

(All figures in ₹)

Particulars	2014-15	2013-14	2012-13
Earnings	347,797,134	278,351,063	298,799,265
Outgo	172,528,131	185,872,134	189,662,027

There is no Foreign investment as well as collaborations by the Company.

II. INFORMATION ABOUT THE APPOINTEE:

	Sri. Y.V. Prashanth	Sri. Y.S.R. Venkata Rao
1. Background details:	Sri Y.V. Prashanth, MS in Pharmacy from USA. He joined the Company as Director on 1 st Nov 2013 and he is appointed as Executive director with effect from 10 th Jan 2015. Sri Y.V. Prashanth has rich experience in administrative, operation and marketing fields and his presence in the Company as Executive Director will benefit the company. He is also third generation promoter of the Company. Before joining the Company, he was looking after his own business.	Sri. Y.S.R. Venkata Rao, B.E.(Mechanical). He Joined the Company during 1977. He played a pivotal role in steering the growth of Alkali Metals from being a manufacturer of alkali metals to producer of sodium derivatives, cyclic compounds, fine chemicals, which find wide application in industries circle. His rich experience in the Industry and relation with the company will help to enhance the Growth of the Company.
2. Past remuneration:	As he has been appointee as Executive Director effective from 10 th Jan 2015, past remuneration details are not applicable.	₹ 2.4 million per annum
3. Recognition or awards:	Nil	Member of the Year Award for the year 2002 from the All India Manufacturers' Association, Andhra Pradesh State Board He worked at various posts in FAPCCI, PHARMEXCIL, BDMA, VSEZ and such other Organisations.



4. Job profile and his suitability:	Sri. Y.V. Prashanth is the Executive Director of the Company. He mainly looks after the finance, Marketing and other Administrative issues. His pharma based qualification and experience will be of immense benefit the Company.	Sri. Y.S.R. Venkata Rao, Managing Director of the Company. He mainly looks after the production operations, R&D and other technical issues. He had rich experience which will help the Company in achieving its goals.
5. Remuneration proposed:	Total remuneration is ₹ 100,000 per month and other perks as provided in the resolution	Total remuneration is ₹ 300,000 per month and other perks as provided in the resolution
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):	The remuneration offered to Sri. Y.V. Prashanth is justifiable and comparable with the industry norms considering the nature of industry, size of the Company, profile and position of person.	The remuneration offered to Sri. Y.S.R. Venkata Rao is justifiable and comparable with the industry norms considering the nature of industry, size of the Company, profile and position of person.
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:	Sri. Y.V. Prashanth is Third Generation Promoter of the Company and son of Sri. Y.S.R. Venkata Rao, Managing Director. Promoters hold 70% in the Company.	Sri. Y.S.R. Venkata Rao is Second Generation Promoter of the Company. Promoters hold 70% in the Company.

III. OTHER INFORMATION:

- (1) Reasons of loss or inadequate profits:
Losses/inadequate profits are mainly due to increase in overheads and global competition.
- (2) Steps taken or proposed to be taken for improvement:
The Company undertook several steps aimed at lowering the overheads and aligning resources with current levels of operations. The steps undertaken will improve overall performance of the Company over a period of time. The company is also commercializing the new R&D products to expand the turnover and increase the margins.
- (3) Expected increase in productivity and profits in measurable terms:
The management has adopted focused and aggressive steps to control the cost and improve the turnover and profitability of the Company. The Management is confident of keeping a higher growth ratio in the period to come.

IV. Disclosures

The details of remunerations and other information is given in the Corporate Governance part of the Directors' Report.

By order of the Board of Directors

Sd/-

Y.S.R. VENKATA RAO
MANAGING DIRECTOR
DIN: 00345524

Place: Hyderabad
Date: 10.08.2015



Directors' Report

To,
The Members,
Alkali Metals Limited

Your Directors have pleasure in presenting the 47th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

1. Financial summary or highlights/Performance of the Company

The performance of the company for the financial year ended 31st March 2015 is summarized as below:

	(All figures in ₹)	
	2014-15	2013-14
Net Turnover	684,394,228	660,457,295
Profit/(Loss) before finance charges, depreciation and taxation	101,512,407	38,243,655
Less : Finance Charges	45,002,861	34,881,520
Depreciation and Amortization expense	42,730,767	35,179,787
Profit/(Loss) before exceptional items and tax	13,778,779	(31,817,652)
Less: Exceptional items	7,330,352	(128,753)
Extraordinary Items	3,407,658	--
Profit/(Loss) before tax	3,040,769	(31,688,899)
Less : Current Year's tax (MAT)	579,419	--
MAT Credit Entitlement	(579,419)	--
Previous Years	201,884	32,555
Deferred tax (AS22)	--	(12,100,481)
Profit/(Loss) After tax	2,838,885	(19,620,973)
Add: Balance Brought forward	68,628,281	88,249,253
Proposed Dividend	--	--
Transfer to General Reserve	--	--
Less: Adjusted for Depreciation as per new regulations	17,418,518	--
Balance surplus carried to Balance Sheet	54,048,648	68,628,281

2. Dividend

Keeping in view of the financial position and to augment the resources of the Company, Dividend for the year under review is not recommended.

3. Reserves

During the year under review, company had not transferred any amount to General Reserves.

4. Brief description of the Company's performance during the year/State of Company's affairs

During the year company achieved a turnover of ₹ 691.5 million including other income as compared to ₹ 664.8 million of the previous year. The profit before tax is ₹ 3.04 million as compared to Loss of ₹ 31.689 million

Company had taken appropriate measures to control the cost and was able to sell the value added products to achieve the profit during the year.

Your Directors are confident that the measures taken by them will have the good results in the coming years and to achieve higher Turnover and margins.



SIGNIFICANT ACHIEVEMENT

During this year also, your company earned Net foreign exchange surplus equivalent to ₹175.3 million as against ₹ 92.5 million for the previous year. As a result, the company is able to contribute to the country's foreign exchange reserves.

5. Future outlook

Your company since becoming a Bulk Drug Producer has concentrated in development of value added intermediates to increase its top/bottom line.

The efforts are bearing results in this year with marginal increase in turnover, good increase in profitability and large increase in net foreign exchange earnings.

This trend is expected to continue in future.

6. Research & Development

The company has spent ₹ 4.9 million towards Research and Development during the financial year and is putting continuous efforts in R&D to increase the cost efficiency through optimum material consumptions by improving the processes.

During the year, the company has commercialized 3 new products which have good potential in the coming years.

7. Change in the nature of business, if any

Company had not changed its nature of business during the year under review.

8. Material changes and commitments after the closure of financial year

Company had not faced any Material changes subsequent to the closure of the financial year, which will affect the financial position or operations of the Company.

9. Significant and Material Orders

There are no significant and material orders passed by the regulators or court or tribunals impacting the going concern status and Company operations in future.

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10. Internal Financial Controls.

Your company had adequate internal controls of all the operations and the management reviews of operations on monthly basis.

11. Risk Management

The company has implemented effective tools to identify, assess, control or mitigate risks associated with its business operations.

12. Details of Subsidiary/Joint Ventures/Associate Companies

Your company had no subsidiaries, Joint Ventures and associate companies during the financial year under review.

**13. Deposits**

Your company has not accepted any deposits covered under chapter V of the Companies Act, 2013 during the year under review and also outstanding at the end of the financial year.

14. Statutory Auditors

M/s. C K S Associates, Statutory Auditors were appointed as auditors of the Company at the Annual General Meeting held on 21st August 2014 for a period of 5 years i.e upto year 2019. As per the provisions of the Companies Act, 2013, the appointment of statutory auditors has to be ratified every year. Accordingly, it is proposed to ratify the appointment at the ensuing Annual General Meeting.

15. Share Capital

Your Company had not issued and raised any share capital including sweat equity, employee stock options during the financial year under review. Your company has also not provided any money for purchase of its own shares by employees or for the benefit of employees.

16. Extract of the annual return

The extract of the annual return in Form MGT – 9 is enclosed as Annexure -1 and shall form part of the Board's report.

17. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo have been provided in Annexure -2 and shall form part of this report.

18. Corporate Social Responsibility (CSR)

Your company is not covered under the provisions of Corporate Social Responsibility. But the company realizes its Social Responsibility and, therefore, is providing the free medical help to the poor people and financial assistance to the poor students through a Charitable Trust run by the promoters.

19. Directors:

Since the last annual general meeting there is no change in the Board of Directors of the Company.

During the year under review Company had appointed Sri. Y.V. Prashanth, Director as Executive Director and Sri. Y.S.R. Venkata Rao, Managing Director is re-appointed after the closure of the financial year and both the appointments will be placed at the ensuing Annual General Meeting for the approval of the members.

Sri. Y.V. Prashanth, Director will retire by rotation at the ensuing annual general meeting and, being eligible, offers himself for reappointment.

Details of no. of Board meetings are covered under the Corporate Governance section.

**Declaration by an Independent Director**

Company had received the declaration by an Independent Director(s) that he/they meet the criteria of independence as per the provisions of Section 149 of the Companies Act, 2013 and the clause 49 of the Listing Agreement.

Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has devised a policy on evaluation of performance of Board of Directors, Committees and Individual Directors. Accordingly, the Chairman of the Nomination and Remuneration Committee obtained from all the board members duly filled in evaluation templates for evaluation of the Board as a whole, evaluation of the committees and peer evaluation. The summary of the evaluation reports were presented to the respective Committees and the Board for their consideration.

20. Key Managerial Persons:

During the last year Company had appointed Sri. P. Sankara Rao as the CFO in compliance with the provisions of the Companies Act, 2013.

After the closure of the financial year Sri. Deepak Tibrewal, Company Secretary resigned to the position and the company is in the process to fill the vacancy.

21. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this 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; and
- (e) the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. Committees

Your company has Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee and the details are provided in the Corporate Governance section.

**23. Vigil mechanism for directors and employees**

The company believes in the standard of conduct which all employees are expected to observe in their business endeavors. The Code (Vigil Mechanism) reflects the Company's commitment to principles of integrity, transparency and fairness. The copy of the Code of Vigil Mechanism is available on the Company website www.alkalimetals.com under Investor tab.

The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company. The employees are encouraged to voice their concerns by way of whistle blowing and all the employees have been given access to the Audit Committee.

The Executive Director Sri. Y.V. PRASHANTH is designated as ombudsperson to deal with all the complaints registered under the policy.

24. Policy on Sexual Harassment

Company had adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year there were no female employees working for the Company.

25. Particulars of loans, guarantees or investments

The Company had not given any loans, guarantees or made investments as per the provisions of section 186 of the Companies Act, 2013 during the financial year under review and also there are no outstanding amounts under the same in terms of provisions of Companies Act, 1956.

26. Particulars of contracts or arrangements with related parties:

The Company had not entered into any contract or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including transactions under third proviso thereto.

The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions which has been uploaded on the Company's website and can be accessed at the Company website www.alkalimetals.com under Investor tab.

27. Managerial Remuneration/Employee Details:

The Details required to be provided pursuant to Rule 5(1) and (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed as Annexure -3 and the same form part of the Directors Report.

None of the employees are covered as per rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

28. Secretarial Audit Report

A Secretarial Audit Report given by CS B. Venkatesh Babu, Company Secretary in practice is enclosed as Annexure -4 and the same form part of this report.

**29. Corporate Governance/Management Discussion and Analysis**

Pursuant to clause 49 of the Listing Agreement with the Stock Exchange, the Management Discussion & Analysis, the Corporate Governance Report, the Auditor's Certificate and the CEO/CFO certification are enclosed and the same form part of this report.

30. Insurance

All the properties and insurable interests of the Company including building, plant and machinery and stocks have been adequately insured.

31. Listing on Stock Exchanges

The securities of the company are continued to be listed on BSE and NSE. The listing fees for these stock exchanges is paid for the current year.

32. Cost Audit

Pursuant to provisions of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 cost audit is not applicable for the financial year 2014-15 for the Company. The Cost report for the year ended 2013-14 was filed with the ROC within due date in compliance with the provisions of cost audit rules.

33. Acknowledgements

Your Directors express their gratitude to all stakeholders, bankers, Regulatory Authorities, Government, customers, suppliers, business associates, from India and abroad, staff and workers for their continued support at all times and look forward to have the same in our future endeavors.

For and on behalf of Board of Directors

Sd/-

Y.S.R. VENKATA RAO
MANAGING DIRECTOR
DIN: 00345524

Sd/-

DR. J.S. YADAV
CHAIRMAN
DIN: 02014136

Place: Hyderabad
Date: 10.08.2015



ANNEXURE -1
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i) CIN :	L27109TG1968PLC001196
(ii) Registration Date :	17/04/1968
(iii) Name of the Company:	Alkali Metals Limited
(iv) Category / Sub-Category of the Company:	Limited Company/Indian Non Govt Company
(v) Address of the Registered office and contact details:	B-5, IDA, Uppal, Hyderabad - 500039 Cs.alkalimetals@gmail.com 040 - 27562932
(vi) Whether listed company :	Yes
(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:	Cameo Corporate Services Limited Subramanian Building, No.1 Club House Road, Chennai – 600 002 Sri. Murali

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S.No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Sodium Derivatives	20119	60.00
2	Pyridine Derivatives	20119	25.20

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S.No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	NIL				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding: Equity

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
(a) Individual/HUF	6128815	-	6128815	60.19	6904715	-	6904715	67.81	7.62
(b) Central Govt	0	0	0	0	0	0	0	0	0
(c) State Govt (s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corp.	0	0	0	0	0	0	0	0	0
(e) Banks / FI	0	0	0	0	0	0	0	0	0
(f) Any Other.... Directors and relatives	971394	-	971394	9.54	195494	-	195494	1.92	(7.62)
Sub-Total (A) (1)	7100842	-	7100842	69.73	7100842	-	7100842	69.73	Nil



(2) Foreign									
(a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
(b) Other – Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter	7100842	-	7100842	69.73	7100842	-	7100842	69.73	Nil
(A) = (A) (1) + (A) (2)									
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Banks/FI	0	0	0	0	0	0	0	0	0
(c) Central Govt	0	0	0	0	0	0	0	0	0
(d) State Govt (s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0	0	0
(g) FII's	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	0	0	0	0	0	0	0	0	0
(2) Non- Institutions									
(a) Bodies Corp									
i. Indian	324861	-	324861	3.19	272989	-	272989	2.68	(0.51)
ii. Overseas									
(b) Individuals									
i. Individual shareholders holding nominal share capital up to ₹ 0.1 million	2371625	1083	2372708	23.30	2362853	1083	2363936	23.22	(0.08)
ii. Individual shareholders holding nominal share capital in excess of ₹ 0.1 million	175249	-	179249	1.72	232794	-	232794	2.29	0.57
(C) Others (Specify)									
NRI	92967	-	92967	0.91	89154	-	89154	0.87	(0.04)
HUF	108095	-	108095	1.06	112732	-	112732	1.11	0.05
Clearing members	8124	-	8124	0.08	10059	-	10059	0.09	0.01
Sub-Total (B)(2)	3080581	1083	3081664	30.26	3080581	1083	3081664	30.26	0
Total Sharehold-ing of Promoter = (B) (1) + (B) (2)	3080581	1083	3081664	30.26	3080581	1083	3081664	30.26	0
C. Shares held by custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	10181423	1083	10182506	100.00	10181423	1083	10182506	100.00	0


(ii) Shareholding of Promoters:

S.No	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change during the Year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Y.S.R. Venkata Rao	6128815	60.19	20.92	6904715	67.81	20.92	7.62
2	Y.V. Lalitha Devi	775900	7.62	0	0	0	0	(7.62)
3	Y. Krishna Veni	28994	0.28	0	28994	0.28	0	0
4	Y. Lalithya Poorna	110000	1.08	0	110000	1.08	0	0
5	CDC Industrial Infra Ltd	633	0.01	0	633	0.01	0	0
6	Y.S.R. Krishna Rao	56500	0.55	0	56500	0.55	0	0
Total		7100842	69.74	20.92	7100842	69.74	20.92	

(iii) Change in Promoters' Shareholding (please specify, if there is no change): no changes

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	YERRAMILI SRIRAMA VENKATA RAO				
	At the beginning of the year 01-Apr-2014	4591308	45.0901	4591308	45.0901
	Purchase 12-Sep-2014	715900	7.0306	5307208	52.1208
	Purchase 19-Sep-2014	60000	0.5892	5367208	52.7100
	At the end of the Year 31-Mar-2015	5367208	52.7100	5367208	52.7100
HAVING SAME PAN					
1	SRIRAMA VENKATA RAO YERRAMILI				
	At the beginning of the year 01-Apr-2014	1537507	15.0994	1537507	15.0994
	At the end of the Year 31-Mar-2015	1537507	15.0994	1537507	15.0994
2	Y V LALITHA DEVI				
	At the beginning of the year 01-Apr-2014	715900	7.0306	715900	7.0306
	Sale 12-Sep-2014	-715900	7.0306	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
HAVING SAME PAN					
2	Y V LALITHA DEVI				
	At the beginning of the year 01-Apr-2014	60000	0.5892	60000	0.5892
	Sale 19-Sep-2014	-60000	0.5892	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000



(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	MANSUKH SECURITIES AND FINANCE LTD.				
	At the beginning of the year 01-Apr-2014	29770	0.2923	29770	0.2923
	Sale 04-Apr-2014	-1088	0.0106	28682	0.2816
	Sale 11-Apr-2014	-2412	0.0236	26270	0.2579
	Sale 18-Apr-2014	-651	0.0063	25619	0.2515
	Sale 25-Apr-2014	-100	0.0009	25519	0.2506
	Sale 16-May-2014	-1	0.0000	25518	0.2506
	Sale 23-May-2014	-14098	0.1384	11420	0.1121
	Sale 30-May-2014	-11150	0.1095	270	0.0026
	Sale 04-Jul-2014	-2	0.0000	268	0.0026
	Purchase 11-Jul-2014	2	0.0000	270	0.0026
	Sale 14-Aug-2014	-196	0.0019	74	0.0007
	Purchase 16-Aug-2014	121	0.0011	195	0.0019
	Purchase 22-Aug-2014	115	0.0011	310	0.0030
	Sale 29-Aug-2014	-229	0.0022	81	0.0007
	Purchase 12-Sep-2014	189	0.0018	270	0.0026
	Purchase 19-Sep-2014	82	0.0008	352	0.0034
	Purchase 30-Sep-2014	518	0.0050	870	0.0085
	Sale 16-Jan-2015	-200	0.0019	670	0.0065
	Purchase 30-Jan-2015	100	0.0009	770	0.0075
	Sale 06-Feb-2015	-300	0.0029	470	0.0046
	Sale 20-Mar-2015	-70	0.0006	400	0.0039
	Sale 31-Mar-2015	-100	0.0009	300	0.0029
	At the end of the Year 31-Mar-2015	300	0.0029	300	0.0029
	HAVING SAME PAN				
1	MANSUKH SEC.AND FIN.LTD				
	At the beginning of the year 01-Apr-2014	21	0.0002	21	0.0002
	At the end of the Year 31-Mar-2015	21	0.0002	21	0.0002
2	HARESH DAYALAL JOSHI				
	At the beginning of the year 01-Apr-2014	23032	0.2261	23032	0.2261
	Purchase 04-Apr-2014	793	0.0077	23825	0.2339
	Purchase 25-Apr-2014	776	0.0076	24601	0.2416
	Purchase 02-May-2014	199	0.0019	24800	0.2435
	Purchase 09-May-2014	101	0.0009	24901	0.2445
	Purchase 16-May-2014	100	0.0009	25001	0.2455
	Purchase 23-May-2014	5988	0.0588	30989	0.3043
	Purchase 30-May-2014	1012	0.0099	32001	0.3142
	Purchase 06-Jun-2014	3000	0.0294	35001	0.3437
	Purchase 13-Jun-2014	2500	0.0245	37501	0.3682
	Purchase 20-Jun-2014	1877	0.0184	39378	0.3867
	Purchase 30-Jun-2014	3623	0.0355	43001	0.4223



	Purchase 14-Aug-2014	500	0.0049	43501	0.4272
	Sale 23-Jan-2015	-16500	0.1620	27001	0.2651
	Sale 30-Jan-2015	-22000	0.2160	5001	0.0491
	Sale 06-Feb-2015	-3500	0.0343	1501	0.0147
	Sale 13-Feb-2015	-1100	0.0108	401	0.0039
	Sale 20-Feb-2015	-300	0.0029	101	0.0009
	Purchase 27-Mar-2015	100	0.0009	201	0.0019
	At the end of the Year 31-Mar-2015	201	0.0019	201	0.0019
3	NAGAVENU TRINADHABABU YALAMARTI				
	At the beginning of the year 01-Apr-2014	20870	0.2049	20870	0.2049
	Sale 13-Feb-2015	-2000	0.0196	18870	0.1853
	Purchase 20-Feb-2015	3000	0.0294	21870	0.2147
	Sale 06-Mar-2015	-2342	0.0230	19528	0.1917
	At the end of the Year 31-Mar-2015	19528	0.1917	19528	0.1917
	HAVING SAME PAN				
3	Y N V T BABU				
	At the beginning of the year 01-Apr-2014	124	0.0012	124	0.0012
	At the end of the Year 31-Mar-2015	124	0.0012	124	0.0012
4	BANSURI POLY PACK PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2014	20000	0.1964	20000	0.1964
	At the end of the Year 31-Mar-2015	20000	0.1964	20000	0.1964
5	KARVY STOCK BROKING LTD				
	At the beginning of the year 01-Apr-2014	17436	0.1712	17436	0.1712
	Purchase 18-Apr-2014	6025	0.0591	23461	0.2304
	Sale 25-Apr-2014	-5580	0.0547	17881	0.1756
	Sale 02-May-2014	-135	0.0013	17746	0.1742
	Sale 16-May-2014	-66	0.0006	17680	0.1736
	Purchase 23-May-2014	1121	0.0110	18801	0.1846
	Sale 30-May-2014	-22	0.0002	18779	0.1844
	Purchase 06-Jun-2014	1	0.0000	18780	0.1844
	Purchase 13-Jun-2014	251	0.0024	19031	0.1868
	Sale 20-Jun-2014	-200	0.0019	18831	0.1849
	Purchase 30-Jun-2014	30	0.0002	18861	0.1852
	Sale 04-Jul-2014	-50	0.0004	18811	0.1847
	Purchase 18-Jul-2014	44	0.0004	18855	0.1851
	Sale 25-Jul-2014	-34	0.0003	18821	0.1848
	Purchase 08-Aug-2014	3	0.0000	18824	0.1848
	Purchase 05-Sep-2014	30	0.0002	18854	0.1851
	Sale 12-Sep-2014	-31	0.0003	18823	0.1848
	Sale 19-Sep-2014	-50	0.0004	18773	0.1843
	Sale 30-Sep-2014	-50	0.0004	18723	0.1838
	Sale 10-Oct-2014	-202	0.0019	18521	0.1818
	Purchase 31-Oct-2014	1000	0.0098	19521	0.1917
	Purchase 07-Nov-2014	1000	0.0098	20521	0.2015
	Sale 12-Dec-2014	-850	0.0083	19671	0.1931
	Purchase 19-Dec-2014	50	0.0004	19721	0.1936
	Sale 31-Dec-2014	-25	0.0002	19696	0.1934
	Purchase 09-Jan-2015	175	0.0017	19871	0.1951



	Purchase 16-Jan-2015	55	0.0005	19926	0.1956
	Sale 23-Jan-2015	-2291	0.0224	17635	0.1731
	Purchase 30-Jan-2015	82	0.0008	17717	0.1739
	Purchase 06-Feb-2015	223	0.0021	17940	0.1761
	Sale 13-Feb-2015	-2070	0.0203	15870	0.1558
	Purchase 20-Feb-2015	500	0.0049	16370	0.1607
	Purchase 27-Feb-2015	5	0.0000	16375	0.1608
	Purchase 06-Mar-2015	280	0.0027	16655	0.1635
	Sale 13-Mar-2015	-159	0.0015	16496	0.1620
	Sale 20-Mar-2015	-250	0.0024	16246	0.1595
	Sale 27-Mar-2015	-50	0.0004	16196	0.1590
	At the end of the Year 31-Mar-2015	16196	0.1590	16196	0.1590
	HAVING SAME PAN				
5	KARVY STOCK BROKING LTD- F-O MARGIN				
	At the beginning of the year 01-Apr-2014	1194	0.0117	1194	0.0117
	Sale 09-May-2014	-100	0.0009	1094	0.0107
	Purchase 23-May-2014	300	0.0029	1394	0.0136
	Sale 12-Sep-2014	-225	0.0022	1169	0.0114
	Purchase 30-Sep-2014	10	0.0000	1179	0.0115
	Sale 23-Jan-2015	-100	0.0009	1079	0.0105
	Sale 06-Mar-2015	-39	0.0003	1040	0.0102
	At the end of the Year 31-Mar-2015	1040	0.0102	1040	0.0102
	HAVING SAME PAN				
5	KARVY STOCK BROKING LIMITED				
	At the beginning of the year 01-Apr-2014	1002	0.0098	1002	0.0098
	Sale 30-May-2014	-49	0.0004	953	0.0093
	Sale 06-Jun-2014	-1	0.0000	952	0.0093
	Sale 13-Jun-2014	-1	0.0000	951	0.0093
	Purchase 30-Jun-2014	1	0.0000	952	0.0093
	Purchase 25-Jul-2014	103	0.0010	1055	0.0103
	Purchase 01-Aug-2014	560	0.0054	1615	0.0158
	Purchase 08-Aug-2014	135	0.0013	1750	0.0171
	Purchase 14-Aug-2014	290	0.0028	2040	0.0200
	Purchase 22-Aug-2014	105	0.0010	2145	0.0210
	Sale 29-Aug-2014	-14	0.0001	2131	0.0209
	Sale 12-Sep-2014	-1180	0.0115	951	0.0093
	Purchase 07-Nov-2014	201	0.0019	1152	0.0113
	Sale 14-Nov-2014	-101	0.0009	1051	0.0103
	Sale 28-Nov-2014	-99	0.0009	952	0.0093
	Purchase 31-Dec-2014	200	0.0019	1152	0.0113
	Sale 09-Jan-2015	-200	0.0019	952	0.0093
	Sale 16-Jan-2015	-549	0.0053	403	0.0039
	Purchase 06-Feb-2015	1000	0.0098	1403	0.0137
	Sale 13-Feb-2015	-1000	0.0098	403	0.0039
	Purchase 06-Mar-2015	970	0.0095	1373	0.0134
	Sale 13-Mar-2015	-971	0.0095	402	0.0039
	At the end of the Year 31-Mar-2015	402	0.0039	402	0.0039



	HAVING SAME PAN				
5	KARVY STOCK BROKING LTD				
	At the beginning of the year 01-Apr-2014	30	0.0002	30	0.0002
	Sale 05-Sep-2014	-30	0.0002	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
6	J R MENDEZ				
	At the beginning of the year 01-Apr-2014	16735	0.1643	16735	0.1643
	Sale 30-Jan-2015	-5000	0.0491	11735	0.1152
	Sale 06-Feb-2015	-5000	0.0491	6735	0.0661
	At the end of the Year 31-Mar-2015	6735	0.0661	6735	0.0661
7	BONANZA PORTFOLIO LTD				
	At the beginning of the year 01-Apr-2014	15221	0.1494	15221	0.1494
	Sale 04-Apr-2014	-71	0.0006	15150	0.1487
	Sale 11-Apr-2014	-120	0.0011	15030	0.1476
	Sale 18-Apr-2014	-1915	0.0188	13115	0.1287
	Sale 09-May-2014	-99	0.0009	13016	0.1278
	Purchase 16-May-2014	20	0.0001	13036	0.1280
	Purchase 23-May-2014	150	0.0014	13186	0.1294
	Sale 30-May-2014	-658	0.0064	12528	0.1230
	Sale 06-Jun-2014	-360	0.0035	12168	0.1194
	Sale 13-Jun-2014	-135	0.0013	12033	0.1181
	Purchase 20-Jun-2014	41	0.0004	12074	0.1185
	Purchase 04-Jul-2014	10	0.0000	12084	0.1186
	Purchase 18-Jul-2014	85	0.0008	12169	0.1195
	Sale 25-Jul-2014	-241	0.0023	11928	0.1171
	Purchase 01-Aug-2014	50	0.0004	11978	0.1176
	Purchase 14-Aug-2014	200	0.0019	12178	0.1195
	Purchase 22-Aug-2014	100	0.0009	12278	0.1205
	Sale 12-Sep-2014	-600	0.0058	11678	0.1146
	Sale 19-Sep-2014	-200	0.0019	11478	0.1127
	Sale 30-Sep-2014	-100	0.0009	11378	0.1117
	Sale 21-Nov-2014	-125	0.0012	11253	0.1105
	Sale 09-Jan-2015	-947	0.0093	10306	0.1012
	Purchase 16-Jan-2015	50	0.0004	10356	0.1017
	Sale 23-Jan-2015	-200	0.0019	10156	0.0997
	Purchase 30-Jan-2015	3200	0.0314	13356	0.1311
	Sale 13-Feb-2015	-400	0.0039	12956	0.1272
	Sale 20-Feb-2015	-1050	0.0103	11906	0.1169
	Purchase 27-Feb-2015	1000	0.0098	12906	0.1267
	Purchase 06-Mar-2015	1698	0.0166	14604	0.1434
	Sale 13-Mar-2015	-950	0.0093	13654	0.1340
	Purchase 20-Mar-2015	1050	0.0103	14704	0.1444
	Sale 27-Mar-2015	-100	0.0009	14604	0.1434
	At the end of the Year 31-Mar-2015	14604	0.1434	14604	0.1434
	HAVING SAME PAN				
7	BONANZA PORTFOLIO LTD				
	At the beginning of the year 01-Apr-2014	350	0.0034	350	0.0034
	Sale 11-Jul-2014	-350	0.0034	0	0.0000



	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
8	KAMALESH NARAYAN NAIR				
	At the beginning of the year 01-Apr-2014	13209	0.1297	13209	0.1297
	Sale 30-Jan-2015	-13209	0.1297	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
9	SHRI PARASRAM HOLDINGS PVT.LTD.				
	At the beginning of the year 01-Apr-2014	13026	0.1279	13026	0.1279
	Sale 04-Apr-2014	-50	0.0004	12976	0.1274
	Purchase 11-Apr-2014	30	0.0002	13006	0.1277
	Sale 18-Apr-2014	-55	0.0005	12951	0.1271
	Purchase 25-Apr-2014	100	0.0009	13051	0.1281
	Sale 09-May-2014	-80	0.0007	12971	0.1273
	Sale 16-May-2014	-701	0.0068	12270	0.1205
	Sale 23-May-2014	-10	0.0000	12260	0.1204
	Purchase 30-May-2014	226	0.0022	12486	0.1226
	Purchase 06-Jun-2014	80	0.0007	12566	0.1234
	Purchase 13-Jun-2014	4084	0.0401	16650	0.1635
	Sale 20-Jun-2014	-811	0.0079	15839	0.1555
	Purchase 30-Jun-2014	371	0.0036	16210	0.1591
	Sale 04-Jul-2014	-280	0.0027	15930	0.1564
	Sale 11-Jul-2014	-106	0.0010	15824	0.1554
	Purchase 18-Jul-2014	115	0.0011	15939	0.1565
	Sale 25-Jul-2014	-150	0.0014	15789	0.1550
	Sale 01-Aug-2014	-139	0.0013	15650	0.1536
	Purchase 08-Aug-2014	100	0.0009	15750	0.1546
	Sale 14-Aug-2014	-20	0.0001	15730	0.1544
	Sale 12-Sep-2014	-258	0.0025	15472	0.1519
	Purchase 19-Sep-2014	556	0.0054	16028	0.1574
	Purchase 30-Sep-2014	10	0.0000	16038	0.1575
	Purchase 03-Oct-2014	363	0.0035	16401	0.1610
	Purchase 10-Oct-2014	200	0.0019	16601	0.1630
	Sale 17-Oct-2014	-200	0.0019	16401	0.1610
	Sale 24-Oct-2014	-80	0.0007	16321	0.1602
	Purchase 31-Oct-2014	429	0.0042	16750	0.1644
	Purchase 07-Nov-2014	20	0.0001	16770	0.1646
	Sale 14-Nov-2014	-137	0.0013	16633	0.1633
	Purchase 21-Nov-2014	150	0.0014	16783	0.1648
	Sale 28-Nov-2014	-50	0.0004	16733	0.1643
	Purchase 12-Dec-2014	150	0.0014	16883	0.1658
	Purchase 19-Dec-2014	250	0.0024	17133	0.1682
	Purchase 09-Jan-2015	280	0.0027	17413	0.1710
	Sale 16-Jan-2015	-2578	0.0253	14835	0.1456
	Sale 23-Jan-2015	-4472	0.0439	10363	0.1017
	Purchase 30-Jan-2015	1066	0.0104	11429	0.1122
	Purchase 06-Feb-2015	713	0.0070	12142	0.1192
	Sale 13-Feb-2015	-1311	0.0128	10831	0.1063
	Purchase 20-Feb-2015	169	0.0016	11000	0.1080
	Sale 27-Feb-2015	-130	0.0012	10870	0.1067



	Purchase 06-Mar-2015	533	0.0052	11403	0.1119
	Purchase 13-Mar-2015	110	0.0010	11513	0.1130
	Sale 20-Mar-2015	-10	0.0000	11503	0.1129
	Purchase 27-Mar-2015	70	0.0006	11573	0.1136
	Sale 31-Mar-2015	-1099	0.0107	10474	0.1028
	At the end of the Year 31-Mar-2015	10474	0.1028	10474	0.1028
	HAVING SAME PAN				
9	SHRI PARASRAM HOLDINGS PVT.LTD.				
	At the beginning of the year 01-Apr-2014	20	0.0001	20	0.0001
	Sale 04-Apr-2014	-20	0.0001	0	0.0000
	Purchase 09-May-2014	100	0.0009	100	0.0009
	Sale 16-May-2014	-100	0.0009	0	0.0000
	Purchase 13-Jun-2014	416	0.0040	416	0.0040
	Sale 20-Jun-2014	-416	0.0040	0	0.0000
	Purchase 11-Jul-2014	5	0.0000	5	0.0000
	Sale 18-Jul-2014	-5	0.0000	0	0.0000
	Purchase 12-Sep-2014	178	0.0017	178	0.0017
	Sale 19-Sep-2014	-178	0.0017	0	0.0000
	Purchase 10-Oct-2014	91	0.0008	91	0.0008
	Sale 17-Oct-2014	-91	0.0008	0	0.0000
	Purchase 14-Nov-2014	10	0.0000	10	0.0000
	Sale 21-Nov-2014	-10	0.0000	0	0.0000
	Purchase 09-Jan-2015	50	0.0004	50	0.0004
	Sale 16-Jan-2015	-26	0.0002	24	0.0002
	Purchase 23-Jan-2015	164	0.0016	188	0.0018
	Purchase 30-Jan-2015	262	0.0025	450	0.0044
	Purchase 06-Feb-2015	2749	0.0269	3199	0.0314
	Sale 13-Feb-2015	-3191	0.0313	8	0.0000
	Sale 20-Feb-2015	-8	0.0000	0	0.0000
	Purchase 27-Feb-2015	142	0.0013	142	0.0013
	Sale 06-Mar-2015	-142	0.0013	0	0.0000
	Purchase 13-Mar-2015	20	0.0001	20	0.0001
	Sale 20-Mar-2015	-20	0.0001	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
10	STEEL CITY SECURITIES LIMITED				
	At the beginning of the year 01-Apr-2014	12917	0.1268	12917	0.1268
	Purchase 30-May-2014	2000	0.0196	14917	0.1464
	Sale 06-Jun-2014	-1901	0.0186	13016	0.1278
	Sale 30-Jun-2014	-6900	0.0677	6116	0.0600
	Sale 04-Jul-2014	-100	0.0009	6016	0.0590
	Purchase 31-Oct-2014	100	0.0009	6116	0.0600
	Sale 05-Dec-2014	-99	0.0009	6017	0.0590
	Sale 31-Dec-2014	-100	0.0009	5917	0.0581
	Purchase 16-Jan-2015	800	0.0078	6717	0.0659
	Sale 23-Jan-2015	-800	0.0078	5917	0.0581
	Purchase 30-Jan-2015	200	0.0019	6117	0.0600
	Purchase 06-Feb-2015	300	0.0029	6417	0.0630
	Purchase 20-Feb-2015	2	0.0000	6419	0.0630



	Purchase 27-Feb-2015	5	0.0000	6424	0.0630
	Sale 13-Mar-2015	-7	0.0000	6417	0.0630
	Sale 27-Mar-2015	-917	0.0090	5500	0.0540
	At the end of the Year 31-Mar-2015	5500	0.0540	5500	0.0540
	HAVING SAME PAN				
10	STEEL CITY SECURITIES LIMITED				
	At the beginning of the year 01-Apr-2014	150	0.0014	150	0.0014
	Sale 06-Jun-2014	-150	0.0014	0	0.0000
	Purchase 30-Jun-2014	1	0.0000	1	0.0000
	Sale 18-Jul-2014	-1	0.0000	0	0.0000
	Purchase 08-Aug-2014	1	0.0000	1	0.0000
	Sale 14-Aug-2014	-1	0.0000	0	0.0000
	Purchase 05-Sep-2014	20	0.0001	20	0.0001
	Purchase 12-Sep-2014	80	0.0007	100	0.0009
	Purchase 19-Sep-2014	500	0.0049	600	0.0058
	Sale 31-Oct-2014	-500	0.0049	100	0.0009
	Sale 07-Nov-2014	-100	0.0009	0	0.0000
	At the end of the Year 31-Mar-2015	0	0.0000	0	0.0000
	NEW TOP 10 AS ON (31-Mar-2015)				
11	BABALBHAI MANILAL PATEL				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 30-Jan-2015	3000	0.0294	3000	0.0294
	Purchase 06-Feb-2015	9692	0.0951	12692	0.1246
	Purchase 13-Feb-2015	4611	0.0452	17303	0.1699
	Purchase 20-Feb-2015	3697	0.0363	21000	0.2062
	Purchase 27-Feb-2015	9100	0.0893	30100	0.2956
	Purchase 13-Mar-2015	4100	0.0402	34200	0.3358
	Purchase 20-Mar-2015	800	0.0078	35000	0.3437
	Purchase 27-Mar-2015	1570	0.0154	36570	0.3591
	Purchase 31-Mar-2015	129	0.0012	36699	0.3604
	At the end of the Year 31-Mar-2015	36699	0.3604	36699	0.3604
12	G. SHANTHA				
	At the beginning of the year 01-Apr-2014	11300	0.1109	11300	0.1109
	Purchase 31-Dec-2014	1700	0.0166	13000	0.1276
	Purchase 27-Mar-2015	17500	0.1718	30500	0.2995
	At the end of the Year 31-Mar-2015	30500	0.2995	30500	0.2995
13	SHANTI KUMAR SARAOGI				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 23-Jan-2015	7219	0.0708	7219	0.0708
	Purchase 20-Feb-2015	6714	0.0659	13933	0.1368
	Purchase 27-Feb-2015	738	0.0072	14671	0.1440
	Purchase 06-Mar-2015	7757	0.0761	22428	0.2202
	Purchase 20-Mar-2015	5310	0.0521	27738	0.2724
	Purchase 27-Mar-2015	1771	0.0173	29509	0.2898
	At the end of the Year 31-Mar-2015	29509	0.2898	29509	0.2898
14	KAILASHBEN ASHOKKUMAR PATEL				
	At the beginning of the year 01-Apr-2014	0	0.0000	0	0.0000
	Purchase 30-Jan-2015	10000	0.0982	10000	0.0982
	Purchase 06-Feb-2015	4000	0.0392	14000	0.1374



	Purchase 13-Feb-2015	1000	0.0098	15000	0.1473
	Purchase 13-Mar-2015	2500	0.0245	17500	0.1718
	At the end of the Year 31-Mar-2015	17500	0.1718	17500	0.1718
15	GAUTAM DUTTA MUNSI				
	At the beginning of the year 01-Apr-2014	101	0.0009	101	0.0009
	Purchase 25-Apr-2014	2000	0.0196	2101	0.0206
	Purchase 23-Jan-2015	12100	0.1188	14201	0.1394
	Sale 13-Mar-2015	-1663	0.0163	12538	0.1231
	At the end of the Year 31-Mar-2015	12538	0.1231	12538	0.1231
16	A V SHILPA				
	At the beginning of the year 01-Apr-2014	12295	0.1207	12295	0.1207
	At the end of the Year 31-Mar-2015	12295	0.1207	12295	0.1207

(v) Shareholding of Directors and Key Managerial Personnel:

S.No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	Y.S.R. Venkata Rao	6,128,815	60.19	6,128,815	60.19
	12.09.2014 (Gifted)	715,900	7.03	6,844,715	67.22
	16.09.2014 (Gifted)	60,000	0.59	6,904,715	67.81
	At the End of the year				
2	Ch.S. Prasad	253	0	253	0

V. INDEBTEDNESS:
Indebtedness of the Company including interest outstanding/accrued but not due for payment

(All figures in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	251,760,917	106,945,386	0	358,706,303
ii) Interest due but not paid	478,228	0	0	478,228
iii) Interest accrued but not due	0	0	0	--
Total (i+ii+iii)	252,239,145	106,945,386	0	359,184,531
Change in Indebtedness during the financial year				
Addition	6,079,105	0	0	6,079,105
Reduction	14,806,958	22,466,376	0	37,273,334
Net Change	(8,727,853)	(22,466,376)	0	(31,194,229)
Indebtedness at the end of the financial year				
i) Principal Amount	243,033,064	84,479,010	0	327,512,074
ii) Interest due but not paid	762,637	0	0	762,637
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	243,795,701	84,479,010	0	328,274,711



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (All figures in ₹)

S.No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Y.S.R. Venkata Rao, MD	Y.V. Prashanth, WTD	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,400,000	270,000	2,670,000
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0
5	Others, please specify Fee for attending the board meeting	0	45,000	0
Total (A)		2,400,000	315,000	2,715,000
Ceiling as per the Act		4,200,000	1,050,000	5,250,000

B. Remuneration to other Directors: (All figures in ₹)

S.No	Particulars of Remuneration	Name of Directors				Total Amount
		Ch.S. Prasad	G. Jayaraman	P.C. Patnaik	J.S. Yadav	
1	Independent Directors Fee for attending board / committee meetings	60,000	80,000	80,000	60,000	280,000
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
Total (1)		60,000	80,000	80,000	60,000	280,000
2	Other Non-Executive Directors	Y.V. Lalithya Poorna				
	Fee for attending board / committee meetings	30,000				30,000
	Commission	0				0
	Others, please specify	0				0
Total (2)		30,000				30,000
Total (B) = (1)+(2)						310,000
Total Managerial Remuneration						3,025,000
Overall Ceiling as per the Act						5,280,407



C. Remuneration to other Directors key managerial personnel other than MD/MANAGER/WTD:

(All figures in ₹)

S.No	Particulars of Remuneration	Key Managerial Personnel		
		Deepak Tibrewal, CS	P. Sankara Rao, CFO	Total
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	302,400	892,839	1,195,239
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0
5	Others, please specify	0	0	0
Total (A)		302,400	892,839	1,195,239

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of Board of Directors

Sd/-

Y.S.R. VENKATA RAO
MANAGING DIRECTOR
DIN: 00345524

Sd/-

DR. J.S. YADAV
CHAIRMAN
DIN: 02014136

Place: Hyderabad
Date: 10.08.2015



ANNEXURE -2

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under provisions of section 134(3)(m) read with Companies (Accounts) Rules, 2014:

A. CONSERVATION OF ENERGY:

- 1) The steps taken or impact on conservation of energy:
The continuous measures taken by the company for conserving the energy particularly installation of Hydrogen recovery plant and Nitrous oxide generation plant at all the company units and usage of cost effective fuels made substantial contribution towards cost reduction.
- 2) The steps taken by the Company for utilizing alternate sources of energy:
Company will take continuous steps to use the alternate sources by using cost effective fuels.
- 3) The Capital investment on energy conservation equipments:
Not envisaged any additional investment in the coming year.

B. TECHNOLOGY ABSORPTION:

- i. The Efforts made towards technology absorption:
Company had its own technology for the process and the products and the company is in the continues process of its R&D to reduce the process time, cost etc.
- ii. The Benefits derived like product improvement, cost reduction, product development or import substitution:
 - Consistent approach to chemical process parameters for quality standards.
 - Commercialization of new products
 - Save time by automating repetitive R&D tasks
 - Gain valuable chemical process understanding from low value material and process attributes data using machine learning methods.
 - Adaptability to cost cutting measures.
- iii. Details of technology imported during the past 3 years:
No technology has been imported during the past 3 years.
- iv. The expenditure incurred on Research and Development: ₹ 4.9 million.

C. FOREIGN EXCHANGE EARNINGS AND OUT GO:

(All figures in ₹)

	2014-15		2013-14	
Earnings		347,797,134		278,351,063
Outgo		172,528,131		185,872,134
Raw Materials	168,953,970		184,320,406	
Foreign currency Exp.	3,574,161		2,236,579	
Net Foreign Exchange earnings		175,269,003		92,478,929

For and on behalf of Board of Directors

Sd/-
Y.S.R. VENKATA RAO
MANAGING DIRECTOR
DIN: 00345524

Sd/-
DR. J.S. YADAV
CHAIRMAN
DIN: 02014136

Place: Hyderabad
Date: 10.08.2015



ANNEXURE-3

Statement of particulars as per Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

S.No	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1	Sri. Y.S.R. Venkata Rao, Managing Director	9.99
2	Sri. Y.V. Prashanth, Executive Director	4.99

Note: No other director is drawing remuneration other than specified above.

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year

S.No	Name of the Director and KMP	Percentage increase in remuneration
1	Sri. Y.S.R. Venkata Rao, Managing Director	Nil
2	Sri. Y.V. Prashanth, Executive Director	N.A
3	Sri. P. Sankara Rao, CFO	10.69%
4	Sri. Deepak Tibrewal, CS	48.24%

Note: Sri. Y.V. Prashanth, has been appointed as ED during the year 2014-15, therefore not provided any increase in remuneration details.

- (iii) The percentage increase in the median remuneration of employees in the financial year
11.59% increase in median remuneration

- (iv) The number of permanent employees on the rolls of Company
118 members as on 31st March 2015.

- (v) The explanation on the relationship between average increase in remuneration and company performance

Average increase in remuneration	Company performance
16.04%	Turnover is increased from ₹ 664.8 million to ₹ 691.5 million and the Loss before tax of ₹ 31.8 million to Profit before tax of ₹3.0 million as compared to last year.

- (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company **(All figures in ₹)**

Total Revenue	691,548,531
Profit before tax	3,040,769
Total Remuneration to KMP	3,895,239

- (vii) Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer



(All figures in ₹)

S.No.	Particulars	31.03.2015	31.03.2014
1	Market Capitalisation		
	BSE	327,876,693	162,920,096
	NSE	333,477,071	165,974,848
2	Price Earnings ratio (based on Basic EPS)		
	BSE	52.79	N.A
	NSE	53.69	N.A
	Note: previous year EPS is negative, therefore P/E is not applicable.		
3	Market quotation of the shares compare to rate at which came out with IPO.		
	The Company came with Initial Public Offer during the period of 2008 at a price of ₹ 103/- per share. As on 31 st March 2015 the market quotation of the company shares price is BSE- ₹ 32.20 and NSE ₹32.75.		

- (viii) 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:

The Average percentage of increase in remuneration of employees other than the managerial personnel is 16.19%. There was no increase in the remuneration of Managerial person during the financial year, but Executive Director was appointed during the year.

- (ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company

S.No	Name	Remuneration of Key Managerial Person (₹)	Performance of the Company during 2014-15	% to Revenue
1	Sri. Y.S.R. Venkata Rao	2,400,000	Total Revenue ₹ 691,548,531 Profit before tax ₹ 3,040,769	0.35%
2	Sri. Y.V. Prashanth (part of the year) Annualized	270,000 1,200,000		0.17%
3	Sri. P. Sankara Rao	892,839		(Annualized) 0.13%
4	Sri. Deepak Tibrewal	302,400		0.04%

- (x) The key parameters for any variable component of remuneration availed by the directors
There is no variable component of remuneration to any Directors during the year ended 31st March 2015.
- (xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year
Not Applicable.
- (xii) Affirmation that the remuneration is as per the remuneration policy of the company.
It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMPs and other Employees.

For and on behalf of Board of Directors

Sd/-
Y.S.R. VENKATA RAO
MANAGING DIRECTOR
DIN: 00345524

Sd/-
DR. J.S. YADAV
CHAIRMAN
DIN: 02014136

Place: Hyderabad
Date: 10.08.2015

**ANNEXURE-4
FORM MR-3**

[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]

**SECRETARIAL AUDIT REPORT
(For the Financial Year ending 31st March 2015)**

To
The Members of
M/s. Alkali Metals Limited
Hyderabad.

I have conducted the Secretarial Audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **Alkali Metals 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 our opinion thereon.

Based on my verification of the Alkali Metals Limited, 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March 2015**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- I. The Company is carrying on the business activities of manufacture of Bulk Drugs & Organic and Inorganic Intermediaries and Fine Chemicals.
- II. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015 according to the provisions of:
 1. The Companies Act, 2013 (**the Act**) and the Rules made there under;
 2. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under;
 3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 5. 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, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999



- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. 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;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- III. I have also examined compliance with applicable clauses of the following:
- i. The Secretarial Standards issued by The Institute of Company Secretaries of India.
 - ii. The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited.
 - iii. The Memorandum and Articles of Association.
- IV. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc mentioned above to the extent applicable to the Company. However, please note that SEBI's ICDR, ESOS, Listing of Debt Securities, Registrar to an Issue, Delisting and Buyback of Securities are not applicable as there being no such activity/acts/events during the audit period for the Company.
- V. With reference to the compliance of Industry Specific Acts of the company, we relied upon Compliance Certificates issued by the Company Secretary/CFO of the Company to the Board of Directors and also Compliance Certificates issued by the respective Department Heads. Our report of compliance would be limited to their reporting.
- VI. I further report that:
1. 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.
 2. Adequate notice is given to all directors to conduct the Meetings of Board and its committees. Agenda and detailed notes on agenda were sent at shorter period 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.
 3. All decisions at Board Meeting and committee meetings were carried out unanimously as recorded in the minutes of the meeting and there were no instances of dissenting members in the board and committee meetings.
- VII. I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- VIII. I further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. as referred to above.

Place: Hyderabad
Date: 10.08.2015

Sd/-
B. Venkatesh Babu
Company Secretary
FCS No. 6708, CP.No. 5103

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Management and Discussion Analysis Report sets out developments in the business, environment and company's performance since our last report. The analysis supplements the Directors' Report and audited financial statements which form together part of this Annual Report.

INDUSTRY OUTLOOK, OPPORTUNITIES AND THREATS:

During the year 2014-15, the Company achieved a turnover of ₹ 690 Million compared to the turnover of ₹ 665 Million during 2013-14 i.e. around 3.76% increase in sales compared to the previous year. Net Profit during the year 2014-15 is ₹ 9.80 Million compared to Net Loss of ₹ 19.62 Million achieved during 2013-14. The improvement in current year's performance can be attributed to the cost saving measures implemented by the company during the year.

OUTLOOK:

The global demand for specialty chemicals is expected to grow at a CAGR of 5.42% from 2015 to 2020. The Asia-Pacific region remains the largest market for specialty chemicals, in terms of value followed by North America. The Asia-Pacific market is projected to register good growth on account of the growing end-user industries such as construction, automotive, plastic, and electronics.

The specialty chemicals market has emerged as one of the most crucial chemicals segment across the globe.

Further, the country's pharmaceutical industry accounts for about 1.4 per cent of the global pharmaceutical industry in value terms and 10 per cent in volume terms. The Government of India has announced a host of measures to create a facilitating environment for the Indian pharmaceutical industry. The policies of the Government of India are aimed at building more hospitals, boosting local access to healthcare, improving the quality of pharmaceuticals and improving the quality of medical training. The Government of India is committed to setting up robust healthcare and delivery mechanisms.

India's pharma sales are expected to reach US\$ 27 billion by 2016. India is well placed to become one of the major drivers in providing healthcare to all while controlling the ever-increasing healthcare spend of both developed and developing nations.

THREATS:

Imports from Global Chemical Companies is a threat to Indian chemical industry. The Indian tax structure is still lower as compared to other countries and hence many Global Chemical companies with larger production capacities are trying to concentrate on Indian market. The company has plans to mitigate the threat by producing high quality products at competitive prices.

PRODUCT PERFORMANCE:

The company has sold 1533 MT of finished products during 2014-15 as against 1608 MT in the previous year. During the year company had sold high value products, therefore the turnover is higher even though there is marginal reduction of sale by MT.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The company has in place effective systems of internal control commensurate to its size and nature of business which provides for:

- Efficient use and safeguarding resources



- Accurate recording and custody of assets
- Compliance with prevalent statutes, policies, procedures, listing requirements, management guidelines and circulars.
- Transactions being accurately recorded ,cross verified and promptly reported
- Adherence to applicable accounting standards and policies.
- IT systems which include controls for facilitating the above.

The internal control system provides for well documented policies, guidelines, authorizations and approval procedures. The internal audit reports are laid before Audit Committee and discussions were held periodically by the Audit Committee at its meetings. The observations /findings made in internal audit reports, along with the status of action thereon are reviewed by the Audit committee of the Board of directors on a regular basis.

The company has an exhaustive budgetary control system and the management regularly reviews actual performance

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

(All figures in ₹ Millions)

	2014-15	2013-14
Net Sales	684.39	660.46
Other income	5.04	4.38
Total income	689.43	664.84
Total expenditure	594.78	629.49
Operating profit/(Loss)	94.65	35.35
Finance charges	45.00	31.86
Gross profit before depreciation and taxes	49.65	3.49
Depreciation	29.15	35.18
Profit/(Loss)before tax	9.81	(31.69)
Provision for income tax & Prev. Yr. taxes	0.00	0.03
Deferred Tax (AS 22)	0.00	(12.10)
Profit/(Loss) after tax	9.81	(19.62)

The book value per share stands at ₹ 50.88 as on 31.03.2015 (₹ 49.82 previous year).

HUMAN RESOURCE DEVELOPMENT:

The Company believes that the key to success lies in creating and nourishing a pool of talent within its people whose skills, expertise and experience provide the impetus towards market leadership. Also, the dedication, commitment and aspirations of its Employees provide the fuel for excellence in performance. The Company’s human resource practices are widely accepted by the management, staff and workers. During the year under review, the Industrial relations with Employees/workers at all the Company’s locations continued to be harmonious and positive.

CAUTIONARY AND FORWARD LOOKING STATEMENT:

Statements in the Management discussion and Analysis Report which describe the Company’s objectives, projections, estimates, expectations or predictions may be considered to be “forward-looking statements” within the meaning of applicable Securities Laws and Regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however materially differ from those expressed or implied. Important factors that could make a difference to the Company’s Operations include global and Indian political, economic & demand-supply conditions, finished goods prices, raw materials cost & availability, cyclical demand and pricing in the company’s principal markets, changes in Government regulations, Policies, tax regimes, economic developments within India besides other factors such as litigation and industrial relations as well as the ability to implement the strategies.



REPORT ON CORPORATE GOVERNANCE
(as required under clause 49 of the Listing Agreement)

CORPORATE GOVERNANCE PHILOSOPHY OF THE COMPANY

Corporate Governance envisages working towards high levels of transparency, accountability, consistent value systems, delegation across all facets of its operations leading to sharply focused and operationally efficient growth. The Company tries to work by these principles in all its interactions with stakeholders, including shareholders, employees, customers, suppliers and statutory authorities. Towards this, the Company continues to focus its energies and resources in order to enhance the trust of all its stakeholders.

The company follows all the principles of corporate governance in its true spirit and at all times.

1. BOARD OF DIRECTORS

Composition

The Board consists of 7 Directors as on 31st March 2015 of which four of Independent Directors, one Non Executive and Non Independent Director, one Executive Director and one Managing Director. The composition of the Board is in conformity with Clause 49 of the listing agreement. The day-to-day management of the company was carried on by the both Managing and Executive Directors of the company.

Number of Board Meetings:

During the year (01-04-2014 to 31-03-2015) the Board met four times i.e. on 19.04.2014, 09.08.2014, 18.10.2014 and 10.01.2015. The maximum time gap between any of the consecutive meetings is less than four months.

The dates for the board meetings are fixed after taking into account the convenience of majority of the directors and sufficient notice is given to them.

Composition, Attendance Record and Directorships held:

S. No.	Name of the Director	Category / Status of Directorship.	No. of Board Meetings attended during the year	No. of Directorship (s) in other companies.	No. of Committee position held in other Companies		Attendance at the AGM held on 21/08/2014
					(6)	(6)	
(1)	(2)	(3)	(4)	(5)	Chairman	Member	(7)
01.	Dr. J.S. Yadav	Chairman & Independent Director	4	1	--	--	Yes
02.	Sri. Ch.S. Prasad	Independent Director	3	3	--	--	No
03.	Sri. P.C. Patnaik	Independent Director	4	--	--	--	No
04.	Sri. G. Jayaraman	Independent Director	4	1	--	--	Yes
05	Sri. Y.S.R. Venkata Rao	Managing Director	4	5	--	--	Yes
06	Smt. Y. Lalithya Poorna	Non-Ind & Non-Exe. Director	2	3	--	--	No
07	Sri. Y.V. Prashanth	Executive Director	4	4	--	--	No

Notes:

- Other Directorships exclude foreign companies and as on 31.03.2015.
- Sri. Y.V. Prashanth has been appointed as Executive Director w.e.f 10.01.2015.



All Independent Directors possess the requisite qualifications and are very experienced in their own fields. Independent Directors are appointed for a period of five years and the Managing Director is not retire by rotation and the other Non Independent Directors are subject to retire by rotation. Necessary disclosures have been obtained from all the directors regarding their directorship and have been taken on record by the Board.

Profile of directors seeking re-appointment:

Sri. Y.V. Prashanth

He holds MS in Pharmacy from USA. He is third generation promoter of the Company. He had vast experience in Administration and Marketing fields. His immense presence in the Board will have the benefit to the Company. He had appointed as Executive Director and will take care all the Marketing and operational issues of the Company.

Sri. Y. S. R. Venkata Rao

He holds B.E.(Mechanical) from Sri Venkateswara University, Andhra Pradesh, and Fellow of the Institution of Engineers (India). He joined our Company in the year 1977 and since then, he has been playing a pivotal role in steering the growth of our Company from being a manufacturer of alkali metals to producer of sodium metal derivatives, cyclic compounds, fine chemicals, which find wide application in various industries, especially the pharmaceutical sector. He takes care of operational and strategic initiatives and financial issues. His technical expertise has earned him the 'Member of the Year Award' for the year 2002 from the All India Manufacturers' Association, Andhra Pradesh State Board and also various coveted posts in FAPCCI, PHARMEXCIL, BDMA. VSEZ and such other Organisations.

2. AUDIT COMMITTEE

The Audit Committee (AC) assists the Board in the dissemination of financial information and in overseeing the financial and accounting processes in the Company. The terms of reference of the audit committee covers all matters specified in clause 49 of the listing agreement and also those specified in section 177 of the Companies Act 2013. The terms of reference broadly include review of internal audit reports and action taken reports, assessment of the efficacy of the internal control systems/ financial reporting systems and reviewing the adequacy of the financial policies and practices followed by the company. The audit committee reviews the quarterly and annual financial statements and related party transactions and reports its findings to the Board. The committee also recommends the appointment of internal auditor, statutory auditor and cost auditor. The committee also looks into those matters specifically referred to it by the Board. The statutory auditors were present at all audit committee meetings.

Audit committee consists of three independent directors. The Chairman of the Audit Committee is an Independent Director. All members including Chairman have adequate financial and accounting knowledge. The Chairman of the Audit Committee was present at the previous Annual General Meeting of the company held on 21st August 2014. During the period 01-04-2014 to 31-03-2015, the committee met four times and the time gap between one meeting to another is less than 4 months period. The internal auditors attended all the meetings.

The Committee Directors and their attendance at the meetings of the Audit Committee is given below:

S. No.	Name of the Member	Category	No. of Meetings Attended
01.	Sri. G. Jayaraman	Independent Director	4
02.	Sri. Ch. S. Prasad	Independent Director	3
03.	Sri. P.C. Patnaik	Independent Director	4



3. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) terms of reference is for appointment of the directors, and key managerial personnel of the Company and fixation of the remuneration to them and also the other employees of the Company.

NRC consist of three independent Directors and they met two times during the year 2014-15.

Composition of committee and attendance of members

S. No.	Name of the Member	Category	No. of Meetings Attended
01.	Sri. Ch. S. Prasad	Independent Director	2
02.	Sri. G. Jayaraman	Independent Director	2
03.	Sri. P.C. Patnaik	Independent Director	2

This committee recommends the appointment/reappointment of executive directors and the appointments of employees one level below the Board of Directors and KMP along with the remuneration to be paid to them. The remuneration is fixed keeping in mind the persons track record, his/her potential individual performance, the market trends and scales prevailing in the similar industry.

Nomination and Remuneration policy

In terms of provisions of section 134(3)(e) of the Companies Act, 2013 and Listing Agreement with the Stock Exchanges, the Board has formulated the Policy on Nomination and Remuneration of Directors and the details of the policy and evaluation criteria follows:

The objectives of the Policy

1. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions.
2. To determine remuneration to Directors, KMP and other senior Employees based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
3. To carry out evaluation of the performance of Directors.
4. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Mechanism for Evaluation of Board

Evaluation of all Board members is done on an annual basis. The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

Criteria for evaluation Directors/KMP/Senior Employees

- Leadership & Stewardship Abilities
- Contributing to clearly define Corporate objectives & Plans
- Communication of expectations & concerns clearly with subordinates
- Obtain adequate, relevant & timely information from external sources.
- Review & approval achievement of strategic and operational plans, objectives, budgets
- Regular monitoring of corporate results against projections
- Identify, monitor & mitigate significant corporate risks
- Assess policies, structures & procedures
- Direct, monitor & evaluate KMPs, senior officials
- Review management's succession plan
- Effective meetings
- Assuring appropriate board size, composition, independence, structure
- Clearly defining roles & monitoring activities of committees
- Review of corporation's ethical conduct

**4. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

Stakeholders Relationship Committee (SRC) consist of four Directors of which 3 Independent Directors and Managing Director.

The SRC deal with to approve share transfer, transmissions, issue of duplicate share certificates, rematerialisation of shares and all other issues pertaining to shareholders and redress investor grievances like non receipt of dividend warrants, non receipt of annual reports etc. The committee also reviews the performance of the Registrar and Share Transfer Agents.

Composition of the committee is as follows.

S.No.	Name of the Member	Category
01	Sri. G. Jayaraman	Independent Director
02	Sri. Ch S. Prasad	Independent Director
03	Sri. P.C. Patnaik	Independent Director
04	Sri Y.S.R. Venkata Rao	Managing Director

SEBI vide Circular Ref: CIR/OIAE/2/2011 dated June 3, 2011 informed the company that they had commenced processing of investor complaints in a web based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES. All the requests and complaints received from the shareholders were attended to within the stipulated time and nothing was pending for disposal at the end of the year.

5. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors of the Company had met during the year to review the performance of non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had accessed the quality , quantity and timeliness of flow of information between the company management and the Board.

6. REMUNERATION PAID TO DIRECTORS

Two are executive directors out of the total Board. The remuneration payable to these directors is determined by the Board on the recommendation of the remuneration committee. This is subject to the approval of the shareholders at the General Meeting. The non executive directors do not draw any remuneration from the company except sitting fees for attending the meetings of the board and the committees.

Details of Remuneration paid to Directors for the year**(All figures in ₹)**

S.No.	Name of the Director	Commission	Remuneration	Sitting Fee	Total
01	Dr. J.S.Yadav	--	--	60,000	60,000
02	Sri. Ch. S. Prasad	--	--	60,000	60,000
03	Sri. P.C. Patnaik	--	--	80,000	80,000
04	Sri. G. Jayaraman	--	--	80,000	80,000
05	Sri. Y.S.R. Venkata Rao	--	2,400,000	--	2,400,000
06	Smt. Y. Lalithya Poorna	--	--	30,000	30,000
07	Sri. Y.V. Prashanth	--	270,000	45,000	315,000



7. ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETING

The details of the Annual General Meetings / Extraordinary General Meeting held in the last three years are as follows:

Annual General Meetings of the Company:

Year	Location	Date	Time
2011-12	Hotel Green Park, Ameerpet, Hyderabad – 500 016	30 th July 2012	11.00 AM
2012-13	Hotel Green Park, Ameerpet, Hyderabad – 500 016	30 th July 2013	11.00 AM
2013-14	Hotel Green Park, Ameerpet, Hyderabad – 500 016	21 st August 2014	11.00 AM

- No Extra-Ordinary General Meeting of the shareholders was held during the year.
- No Postal Ballot was conducted during the year. None of the resolutions proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot.
- No Special Resolutions passed in previous 3 Annual General Meetings:
- E-Voting/Poll:

There are no special resolutions passed by the Company, but the eVoting is conducted for the business items covered in the last AGM Held on 21st August 2014 in Compliance with the Listing Agreement.

DISCLOSURES

8. SUBSIDIARY COMPANIES

The Company has no subsidiary company.

9. RISK MANAGEMENT

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them.

10. WHISTLE BLOWER POLICY

The company has an established mechanism for Directors / Employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of directors/ employees who avail of the mechanism. The company affirms that no personnel has been denied access to the audit committee. The Company has formulated a Policy of Vigil Mechanism and has established a mechanism that any personnel may raise Reportable Matters.

11. RELATED PARTY TRANSACTION

There have been no materially significant related party transactions with the company's promoters, directors, KMP or relatives which may have potential conflict with the interests of the company at large. The necessary disclosures regarding the transactions are given in the notes to accounts.

12. ACCOUNTING TREATMENT:

The Company has followed the accounting standards in the preparation of its financial statements.

**13. COMPLIANCES:**

There have been no instances of non-compliance by the company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the company by the Stock Exchanges or SEBI or any other statutory authority on such matters.

14. MEANS OF COMMUNICATION

The Quarterly, Half yearly and Annual results are normally published by the company in the leading newspapers in English version circulating substantially in the whole of India and in Telugu (being the Regional language) where the registered office is situated. The results are also placed on company's website i.e. www.alkalimetals.com to access first-hand information about the financial information of the company. Besides this as required under the listing agreement the said information is also sent to stock exchanges (BSE & NSE).

15. CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND THE SENIOR MANAGEMENT

The standards for business conduct provide that the directors and the senior management will uphold ethical values and legal standards as the company pursues its objectives, and that honesty and personal integrity will not be compromised under any circumstances. A copy of the said code of conduct is available on company's website i.e. www.alkalimetals.com. As provided under clause 49 of the listing agreement with the stock exchanges, the Board members and senior management personnel have affirmed compliance with the code of conduct for the financial year 2014-2015.

16. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

Day, Date and time:	Saturday, 19 th September, 2015, at 11.00 AM
Venue :	Hotel Green Park, Ameerpet, Hyderabad – 500 016
Book Closure Date :	14 th September 2015 to 19 th September 2015 (Both days inclusive)

b) Financial Year : 1st April 2015 to 31st March 2016

Financial Calendar 2015-2016 (tentative)

First Quarter results (April - June)	: On or before 15 th August
Second Quarter results (July – Sept)	: On or before 15 th Nov
Third Quarter results (Oct – Dec)	: On or before 15 th February
Annual Results audited (Audited)	: On or before 31 st May

c) Particulars of Dividend for the year ended 31.03.2015 - Not Applicable -

d) Listing of Shares

Name of the Stock Exchange	: Stock Code
Bombay Stock Exchange Limited, Mumbai (BSE)	: 533029
National Stock Exchange of India Limited (NSE)	: ALKALI
ISIN allotted by Depositories (Company ID Number)	: INE773I01017

Note: Annual Listing fees for the year 2015-16 were duly paid to the above stock exchanges



e) Stock Market Data

(All figures in ₹)

Month	NSE			BSE		
	High	Low	Closing	High	Low	Closing
April	21.70	16.05	18.10	21.15	16.05	17.60
May	31.20	16.80	25.80	31.00	16.30	26.00
June	27.45	22.00	23.55	27.95	21.45	23.00
July	26.40	20.40	21.25	25.35	20.50	21.75
August	22.00	18.00	19.05	21.75	18.40	19.00
September	26.30	18.70	20.60	26.25	18.55	20.65
October	23.85	19.30	21.10	23.90	19.20	21.05
November	25.60	20.45	22.75	25.50	21.00	22.70
December	23.35	18.10	19.40	27.00	18.20	19.55
January	42.30	18.85	39.40	42.00	19.20	38.90
February	47.35	36.65	37.95	46.95	37.10	38.05
March	39.50	29.50	32.75	39.45	30.75	32.20

f) Shareholding Pattern as on 31st March 2015

Category	No. of shares held	% of holdings
Indian Promoters including persons acting in concert	7,100,842	69.74
Bodies corporate (including clearing members)	283,048	2.77
Resident Indians	2,596,730	25.51
Non-Resident Indians	89,154	0.87
Hindu undivided families	112,732	1.11
Total	10,182,506	100.00

g) Distribution of Shareholding as on 31st March 2015

HOLDING	NUMBER	% OF TOTAL	SHARES	% OF TOTAL
between 1 and 5000	10,636	91.12	1,112,938	10.93
between 5001 and 10000	537	4.60	428,753	4.21
between 10001 and 20000	271	2.32	405,341	3.98
between 20001 and 30000	91	0.78	232,223	2.28
between 30001 and 40000	42	0.36	149,349	1.47
between 40001 and 50000	25	0.21	118,539	1.16
between 50001 and 100000	45	0.39	316,851	3.11
between 100001 and Above	26	0.22	7,418,512	72.86
Total	11,673	100.00	10,182,506	100.00

h) Registrar and Share Transfer Agents

Cameo Corporate Services Limited
 Subramanian Building, No.1, Club House Road
 Chennai-600 002,
 Tel: 044-28460390/948
 Fax:044-28460129
 Email: cameo@cameoindia.com
 Contact Person : Sri. Murali



i) Share Transfer System

The shares are transferred within the stipulated period as per the listing Agreement. 99.99 % of Company Shares are in the Dematerialized form.

j) Reconciliation of Share Capital Audit

A quarterly audit was conducted by a practising company secretary, reconciling the issued and listed capital of the company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit.

k) Information in respect of unclaimed dividends due for remittance into Investor Education and Protection Fund (IEPF) is given below:

Under the provisions of the Companies Act, 2013 dividends that remain unclaimed for a period of seven years from the date of declaration are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. The unclaimed dividend and share application money as on March 31, 2015 is as follows:

Financial Year	Date of declaration	Date of transfer to IEPF
2008-09	30 th May 2009	September 2016
2009-10	30 th July 2010	September 2017
2010-11	30 th July 2011	September 2018
2011-12	30 th July 2012	September 2019
2012-13	30 th July 2013	September 2020

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cation money to be transferred to IEPF by August 2015.

l) Plant Locations

The Company's plants are located at:

- Unit-I : Plot No. B-5, Block-III, IDA, Uppal, Hyderabad – 500 039
 Unit-II : Survey No. 299 to 302, Dommara Pochampally Village, Qutubullapur
 Mandal, R.R. District.
 Unit-III : J.N. Pharma City, Parwada, Visakhapatnam

m) Address for correspondence:

Registered office Address: Plot No. B-5, Block-III, IDA,
 Uppal, Hyderabad – 500 039
 Email:cs.alkalimetals@gmail.com
 Secretarial@alkalimetals.com

17. NON-MANDATORY DISCLOSURES:

The Company has complied with the following non-mandatory requirements as per the listing agreement:

- Company had appointed separate person to the position of Chairman and Managing Director.
- The statutory financial statements of the company are unqualified.
- The Internal Auditor of the company directly reports to the Audit Committee.

**DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT**

I declare that the Company has received affirmation of compliance with the “Code of Business conduct for Directors and Senior Executives” laid down by the Board of Directors, from all the Directors and Senior Management Personnel of the Company, to whom the same is applicable, for the financial year ended 31st March 2015.

Place: Hyderabad

Date: 09.05.2015

Sd/-

Y.S.R. VENKATA RAO
MANAGING DIRECTOR
DIN: 00345524

CERTIFICATION BY MANAGING DIRECTOR (CMD) and CHIEF FINANCIAL OFFICER (CFO) TO THE BOARD

We, Y.S.R. Venkata Rao, Managing Director and P. Sankara Rao, Chief Financial Officer of Alkali Metals Limited, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the state of affairs of the company and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company’s code of conduct.
3. We accept overall responsibility for establishing and maintaining internal control for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness, of internal control. The internal auditor works with all levels of management and statutory auditors and reports significant issues to the audit committee of the Board. The auditors and audit committee are appraised of any corrective action taken with regard to significant deficiencies in the design or operation of internal controls.
4. We indicate to the auditors and to the audit committee:
 - a) Significant changes in internal control over financial reporting during the year;
 - b) Significant changes in accounting policies during the year; and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware of and which involve management or other employees having significant role in the company’s internal control system and financial reporting. However, during the year there was no such instance.

Place: Hyderabad

Date: 09.05.2015

Sd/-

P. SANKARA RAO
CFO

Sd/-

Y.S.R. VENKATA RAO
Managing Director
DIN: 00345524



CERTIFICATE OF COMPLIANCE WITH CLAUSE 49 OF LISTING AGREEMENT

To
The Members of Alkali Metals Limited

We have examined the compliance of conditions of Corporate Governance by Alkali Metals Limited for the year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied in general with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

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 C K S Associates
Chartered Accountants (FRN 007390S)

Place: Hyderabad
Date: 10.08.2015

Sd/-
C. KRISHNA BABU
Partner
M.No.: 019827

**INDEPENDENT AUDITOR'S REPORT**

To the Members of **ALKALI METALS LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **ALKALI METALS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that



give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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, Statement of Profit and Loss and the Cash Flow Statement 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 Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the Directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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,
 - ii. In our opinion and as per the information and explanations provided to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
 - iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for C K S Associates
Chartered Accountants (FRN 007390S)

Sd/-
C. KRISHNA BABU
Partner
M.No.: 019827

Place: Hyderabad
Date: 09.05.2015

***ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT:***

(Referred to in Paragraph 1 under section 'Report on Other Legal and Regulatory Requirements' of our report of even date)

- 1.1 The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- 1.2 All the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- 2.1 The inventories have been physically verified at reasonable intervals by the management.
- 2.2 In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- 2.3 In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of its inventories and no material discrepancies were noticed on such physical verification.
3. As informed to us, the company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, the sub clauses (a) and (b) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. According to the information and explanations given to us, the Company has not accepted any deposits in terms of directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
6. We have broadly reviewed the cost records maintained by the Company pursuant to sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.



- 7.1 The company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as are applicable, with the appropriate authorities and we have been informed that there are no arrears of outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.
- 7.2 According to the information and explanations given to us, the dues of income tax which have not been deposited on account of dispute are as given below:

Name of the Statute	Nature of dues	Amount in ₹	Period to which the amount relates	Forum where the appeal is pending
Income Tax Act, 1961	Income Tax and Interest	3,905,446	AY 2003-04	ITAT, Hyderabad. Partial Relief given by ITAT. Consequential Order to be received.

- 7.3 According to the information and explanations given to us, as on the date of balance sheet the Company has no amounts required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made there under.
8. The Company has no accumulated losses at the end of the financial year under audit. The company has not incurred cash losses during the financial year covered by audit and in the immediately preceding financial year.
9. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
11. According to the information and explanations given to us, no term loans were obtained during the year under audit.
12. Based upon the audit procedures performed and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year of our audit.

for C K S Associates
Chartered Accountants (FRN 007390S)

Sd/-
C. KRISHNA BABU
Partner
M.No.: 019827

Place: Hyderabad
Date: 09.05.2015



BALANCE SHEET

BALANCE SHEET AS AT 31.03.2015		(All figures in ₹)	
	Note No.	31.03.2015	31.03.2014
I EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
a. Share Capital	1	101,825,060	101,825,060
b. Reserves and Surplus	2	391,879,101	405,458,734
		493,704,161	507,283,794
2. NON-CURRENT LIABILITIES			
a. Long Term Borrowings	3	98,510,276	163,583,610
b. Other Long Term Liabilities	4	13,615,427	9,894,000
c. Long Term Provisions	5	623,757	966,152
		112,749,460	174,443,762
3. CURRENT LIABILITIES			
a. Short Term Borrowings	6	185,801,798	179,722,693
b. Trade Payables	7	104,498,623	127,848,427
c. Other Current Liabilities	8	48,569,340	24,028,597
d. Short Term Provisions	9	525,608	156,419
		339,395,369	331,756,136
TOTAL		945,848,990	1,013,483,692
II. ASSETS			
1. NON-CURRENT ASSETS			
a. Fixed Assets	10		
i. Tangible Assets		564,707,828	603,856,327
ii. Intangible Assets		5,291,631	6,702,733
iii. Capital Work-in-progress		3,648,506	--
b. Long Term Loans and Advances	11	26,004,121	25,198,588
c. Other Non-Current Assets	12	60,099	19,152,845
		599,712,185	654,910,493
2. CURRENT ASSETS			
a. Inventories	13	164,453,995	132,948,329
b. Trade Receivables	14	85,604,794	135,152,667
c. Cash and Cash Equivalents	15	31,132,539	15,886,651
d. Short Term Loans and Advances	16	57,645,976	68,631,000
e. Other Current Assets	17	7,299,501	5,954,552
		346,136,805	358,573,199
TOTAL		945,848,990	1,013,483,692

Refer accompanying Notes to Financial Statements

As per our Report attached

For and on Behalf of Board of Directors

for C K S Associates

Chartered Accountants (FRN 007390S)

Sd/-

C. KRISHNA BABU

PARTNER

M.No.: 019827

Sd/-

P. SANKARA RAO

CFO

Sd/-

Y.S.R.VENKATA RAO

MANAGING DIRECTOR

DIN: 00345524

Sd/-

DR. J.S. YADAV

CHAIRMAN

DIN: 02014136

Place: Hyderabad

Dated: 09.05.2015



PROFIT AND LOSS ACCOUNT

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2015		(All figures in ₹)	
	Note No.	31.03.2015	31.03.2014
1. REVENUE			
Revenue from Operations	18	684,394,228	660,457,295
Other Income	19	7,154,303	4,380,250
Total Revenue		691,548,531	664,837,545
2. EXPENSES			
a. Cost of Materials Consumed		330,495,340	344,542,718
b. Changes in Inventories of Finished Goods Work-in-Progress and Stock-in-Trade	20	10,310,437	3,587,798
c. Employee Benefit Expense	21	65,912,397	56,802,646
d. Finance Costs	22	45,002,861	34,881,520
e. Depreciation		42,730,767	35,179,787
f. Other Expenses	23	183,317,950	221,660,728
Total Expenses		677,769,752	696,655,197
3. Profit / (Loss) for the year before exceptional items		13,778,779	(31,817,652)
4. Exceptional Items	24	7,330,352	(128,753)
5. Profit Before Extraordinary Items and Tax		6,448,427	(31,688,899)
6. Extraordinary Items	25	3,407,658	--
7. Profit Before Tax		3,040,769	(31,688,899)
8. Tax Expense			
a. Current Tax (MAT)		579,419	--
Less: MAT Credit Entitlement		(579,419)	--
Net Current Tax		--	--
b. Tax Pertaining to Earlier Years		201,884	32,555
c. Deferred Taxation		--	(12,100,481)
		201,884	(12,067,926)
9. Profit / (Loss) after taxes for the period		2,838,885	(19,620,973)
10. Earnings Per Share			
Face Value ₹ 10/- per share			
i. Basic / Diluted (excluding extra ordinary items)		0.61	(1.93)
ii. Basic / Diluted (including extra ordinary items)		0.28	(1.93)

Refer accompanying Notes to Financial Statements

As per our Report attached

For and on Behalf of Board of Directors

for C K S Associates

Chartered Accountants (FRN 007390S)

Sd/-

C. KRISHNA BABU
PARTNER

M.No.: 019827

Sd/-

P. SANKARA RAO
CFO

Sd/-

Y.S.R.VENKATA RAO
MANAGING DIRECTOR

DIN: 00345524

Sd/-

DR. J.S. YADAV
CHAIRMAN

DIN: 02014136

Place: Hyderabad

Dated: 09.05.2015



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

(All figures in ₹)

	2014-15		2013-14	
A. Cash flow from Operating activities				
1. Net Profit/(Loss) before Tax		3,040,769		(31,688,899)
2. Adjustments for				
Depreciation	42,730,767		35,179,787	
Interest expense	45,002,861		31,860,970	
Interest income	(1,219,056)		(1,055,300)	
IPO expenses written off	--		6,599,233	
Bad Debts	--		1,502,500	
Profit on sale of Fixed Assets	--		(9,262,998)	
Customs duty on DTA clearances	--		9,134,245	
(Profit)/Loss on sale of Assets	48,110	86,562,682	312,144	74,270,581
3. Operating Profit before working capital changes		89,603,451		42,581,682
4. Adjustments for				
Increase/(Decrease) in IFST Loan	--		(9,035,853)	
Increase/(Decrease) in Trade payables	(23,349,805)		4,938,613	
Increase/(Decrease) in Other Liabilities and Provisions	24,567,536		16,134,655	
(Increase)/Decrease in Inventories	(31,505,667)		12,114,923	
(Increase)/Decrease in Trade Receivables	49,547,872		576,645	
(Increase)/Decrease in Loans and Advances	10,179,490		(4,267,740)	
(Increase)/Decrease in Other Current Assets	17,545,912	46,985,338	(19,381,696)	1,079,547
5. Cash generated from operations		136,588,789		43,661,229
Interest paid		45,002,861		(31,860,970)
Direct taxes paid		--		32,555
6. Net cash from Operating activities		91,585,928		11,767,704
B. Cash flow from investing activities				
Purchase of fixed assets/capital work in progress	(24,581,902)		(61,936,611)	
Sale of fixed assets	1,295,608		30,053,345	
Interest income & other receipts	1,219,056		1,055,300	
Investment Subsidy	1,000,000	(21,067,238)	--	(30,827,966)
C. Cash flow from Financing activities				
Proceeds / Repayments of borrowings	(58,994,229)		34,604,600	
Dividend paid	--		(10,182,506)	
Tax on Dividend	--		(1,651,857)	
Increase / Decrease in other liabilities	3,721,427	(55,272,802)	--	22,770,237
Net Increase/(Decr.) in Cash & cash equivalent		15,245,888		3,709,975
Cash and cash equivalent as at the beginning of the year		15,886,651		12,176,676
Cash and cash equivalent as at the end of the year		31,132,539		15,886,651

As per our Report attached

For and on Behalf of Board of Directors

for C K S Associates

Chartered Accountants (FRN 007390S)

Sd/-
C. KRISHNA BABU
PARTNER
M.No.: 019827

Sd/-
P. SANKARA RAO
CFO

Sd/-
Y.S.R.VENKATA RAO
MANAGING DIRECTOR
DIN: 00345524

Sd/-
DR. J.S. YADAV
CHAIRMAN
DIN: 02014136

Place: Hyderabad
Dated: 09.05.2015

**SIGNIFICANT ACCOUNTING POLICIES****A) Basis of Preparation of Financial Statement:**

The Financial Statements are prepared on going concern assumption and under the historical cost convention, except for certain fixed assets which are revalued in accordance with generally accepted Accounting principles in India and the provisions of the Companies Act 2013.

B) Use of Estimates:

The preparation of financial statements requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

C) Fixed Assets:

Fixed assets are stated at cost net of cenvat / value added tax and includes amounts added on revaluation, less accumulated depreciation, and impairment of loss, if any. All costs including financing costs till commencement of production, net charges on foreign exchange contracts and adjustments arising from exchange rate variation attributable to the fixed assets are capitalised as per the applicable standards.

D) Depreciation and Amortisation:

Depreciation on all fixed assets is provided on systematic basis on straight-line method on the basis of useful lives specified in Schedule – II of the Companies Act, 2013. Intangible Asset (Computer Software) is amortised over a period of five years.

E) Impairment of Asset:

The Carrying amount of asset is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. The recoverable amount is the greater of the asset's net selling price and value in use, which is determined based on the estimated future cash flow discounted to their present values. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment loss is reversed if there has been change in the estimates used to determine the recoverable amount.

F) Inventories:

Items of inventories are valued at lower of cost or net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of raw material is determined on FIFO method.

G) Foreign Currency Transactions:

Foreign Currency Transaction are recorded at the exchange rates prevailing at the transaction date. Current Assets and Current Liabilities relating to Foreign Currency Transactions remaining unsettled at the balance Sheet date are translated at the year end rates. The result gain/ loss, if any, is recognised in Profit & Loss Account.

H) Turnover:

Sales are recognised on despatch of goods from the factory.

**I) Employee Benefits:****i. Gratuity:**

The Company contributes towards Group Gratuity Fund (defined benefit retirement plan) administered by the Life Insurance Corporation Of India, for eligible employees. Under this scheme the settlement obligation remains with the Company, while the Life Insurance Corporation of India administers the scheme and determines the premium to be contributed by the Company. The plan provides for a lump-sum payment to the vested employees on retirement or termination of employment, based on the respective employees' salary and the years of service with the Company.

ii. Provident Fund:

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged off to the profit and loss account of the year when the contributions to the fund are due. There are no other obligations other than the contributions to be remitted to the Provident Fund Authorities.

iii. Leave Encashment:

Provision for Leave Encashment is recognised in the books as per the actuarial valuation.

J) Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

K) Provision for Current and Deferred Tax:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent there is reasonably certain that there will be sufficient future income to recover such Deferred Tax Asset.

L) Minimum Alternate Tax Credit:

Minimum Alternate Tax Credit Entitlement is recognized in the books of account when there is convincing evidence that the Company will pay normal income tax during the specified period. The Entitlement is reviewed at each balance sheet date with regard to the correctness of the carrying amount.

M) Research and Development:

Capital expenditure incurred has been disclosed under separate heads of account and revenue expenditure incurred is charged off as a distinct item in the Profit and Loss account.

N) Claims:

Claims by and against the company, including liquidated damages, are recognised on acceptance basis.

O) Public Issue Expenses are written off over a period of 5 years.

P) Exceptional / Extraordinary Items:

All the exceptional and extraordinary items are recognised as per the provisions stipulated in AS 5- Net profit or loss for the period, Prior Period Items and Changes in Accounting Policies.



NOTES TO FINANCIAL STATEMENTS

Note 1: SHARE CAPITAL		(All figures in ₹)	
		31.03.2015	31.03.2014
Authorised Share Capital			
15,000,000 Equity Shares of ₹10 Par Value		150,000,000	150,000,000
Issued, Subscribed and Paid-up Capital			
<i>At the beginning and at the end of the year</i>			
10,182,506 Equity Shares of ₹10 Par Value fully paid up		101,825,060	101,825,060
		101,825,060	101,825,060
Disclosures:			
1. All the equity shares carry equal rights and obligations including for dividend and with respect to voting rights.			
2. Names of shareholders holding more than 5% of the Share capital and their shareholding.			
S.No.	Name of shareholder	No. of shares	No. of shares
1	Sri. Y.S.R. Venkata Rao	6,904,715	6,128,815
	% of Holding	67.81%	60.19%
2	Smt. Y.V. Lalitha Devi	--	775,900
	% of Holding	--	7.62%

Note 2: RESERVES & SURPLUS		(All figures in ₹)	
		31.03.2015	31.03.2014
1. Securities Premium			
Balance at the beginning and at the end of the year		237,150,000	237,150,000
2. Revaluation Reserve on Land			
Balance at the beginning and at the end of the year		8,336,793	8,336,793
3. Capital Reserve - Investment Subsidy			
Balance at the beginning of the year		--	--
Add: Amount received during the year		1,000,000	--
Balance at the end of the year		1,000,000	--
4. General Reserve			
Balance at the beginning and end of the year		91,343,660	91,343,660
5. Surplus			
Balance brought forward from previous year		68,628,281	88,249,253
Less: Depreciation in respect of assets whose useful life has expired (refer Note 10)		17,418,518	--
Add: Transfer from Statement of Profit and Loss for the year		51,209,763	88,249,253
Balance available for Appropriations		2,838,885	(19,620,973)
<i>Appropriations:</i>			
Balance carried forward to next year		54,048,648	68,628,281
		391,879,101	405,458,734

Note: Investment subsidy received during the year from Government of AP towards purchase of Land has been considered as Capital Reserve as per AS 12, Government Grants.



Note 3: LONG TERM BORROWINGS		(All figures in ₹)	
		31.03.2015	31.03.2014
A. Secured:			
1. Loans from Bank:			
Term Loans		14,031,266	56,638,224
		14,031,266	56,638,224
B. Unsecured:			
1. Loans and Advances from Related Parties			
a. Inter Corporate Deposits		26,500,000	40,066,376
b. Loan from Directors		31,000,000	39,900,000
2. Deferred Payment Liabilities			
Sales tax deferment		26,979,010	26,979,010
		84,479,010	106,945,386
		98,510,276	163,583,610

Disclosures:	
a. Secured Loans	
The Company has borrowed two term loans from SBI. The terms and conditions are given below:	
a) Term Loan 1 from SBI:	
Particulars	Term Loan 1
1 Period of maturity with reference to Balance Sheet date	2015-16
2 Number of Quarterly Instalments outstanding	4
3 Amount of each instalment	₹ 3,500,000
4 Rate of Interest	Base rate plus 4.60%
5 Overdue amount and period:	Nil
6 Security	
Term Loan from SBI is secured by first charge on Company's fixed assets financed out of the Term Loan, Collateral Security of Land & Buildings of the Company and by personal guarantee of Managing Director of the Company	
b) Term Loan 2 from SBI:	
Particulars	Term Loan 2
1 Period of maturity with reference to Balance Sheet date	2017-18
2 Total number of Quarterly Installments	9
3 Amount of each instalment	₹ 2,700,000
In addition to the instalments, ₹ 18.4 million is to be paid in the following year as per terms of sanction letter.	
4 Rate of Interest	Base rate plus 4.70%
5 Overdue amount and period:	Nil
6 Security	
The loan is secured by hypothecation of entire fixed assets(including civil structures) purchased out of the term loan, collateral security of Land & Buildings of the Company and by personal guarantee of the Managing Director of the Company.	



b. Unsecured Loans		
a. Inter Corporate Deposits and Loans from Directors:		
Particulars		
1	Period of maturity with reference to Balance Sheet date	5 years from 01.04.2013
2	Number of Instalments outstanding	Nil
3	Amount due for the Instalments	Nil
4	Rate of Interest	8%*
* W.e.f 01-04-2015 interest rate is @ 12%		
5	Overdue amount and period:	Nil
b. Sales Tax Deferment:		
<p>The Company was sanctioned Interest Free Sales Tax Deferment of ₹34,585,650/- under target – 2000 Scheme by the Government of Andhra Pradesh vide final eligibility Certificate No.LR No.10/4/2001/0878/0878/ID dt.24-07-2001, for a period of 14 years starting from 20-03-1999 to 19-03-2013. The company has so far availed Sales Tax Deferment of ₹26,979,010/- up to 31-03-2013, which is shown as liability in the Balance Sheet. The repayment of 1st year availment will start from the year April, 2016.</p>		

Note 4: OTHER LONG TERM LIABILITIES		(All figures in ₹)	
		31.03.2015	31.03.2014
Deposits		13,615,427	9,894,000
		13,615,427	9,894,000

Note 5: LONG TERM PROVISIONS		(All figures in ₹)	
		31.03.2015	31.03.2014
Provision for Employee Benefits			
Leave Encashment (Non funded)		623,757	966,152
		623,757	966,152

Note 6: SHORT TERM BORROWINGS		(All figures in ₹)	
		31.03.2015	31.03.2014
Secured:			
Loans repayable on demand			
Working Capital Loan		185,801,798	179,722,693
		185,801,798	179,722,693
Disclosures:			
Particulars		2014-15	2013-14
1	Period of maturity with reference to Balance Sheet date	Renewable every year	Renewable every year
2	Number of Instalments due	Nil	Nil
3	Amount Outstanding	₹ 185,801,798	₹ 179,722,693
4	Rate of Interest	Base Rate plus 4.5%	Base Rate plus 5.5%
5	Overdue amount and period	Nil	Nil
6	Security:		
<p>Working Capital Loan from bank and interest accrued on the loan are secured by hypothecation of present and future raw materials, work in progress, finished goods, stores and spares and book debts of the Company and a first charge on the immovable properties and personal guarantee of the Managing Director of the Company.</p>			



Note 7: TRADE PAYABLES		(All figures in ₹)
	31.03.2015	31.03.2014
Trade payables	104,498,623	127,848,427
	104,498,623	127,848,427
Disclosures: The Company has no information as to whether any of its vendors constitute a “Supplier” within the meaning of Section 2 (n) of the Micro, Small and Medium Enterprises Development Act, 2006 as no declarations were received under the said Act from them.		

Note 8: OTHER CURRENT LIABILITIES		(All figures in ₹)
	31.03.2015	31.03.2014
Current Maturities of Long Term Debt (refer Note 3)	43,200,000	15,400,000
Interest Accrued and Due on Borrowings	762,637	478,228
Advance against Sales	1,923,106	3,603,963
Unpaid Dividends	809,623	810,323
Unclaimed refund of Share application money	260	260
Other Payables	1,873,714	3,735,823
	48,569,340	24,028,597

Note 9: SHORT TERM PROVISIONS		(All figures in ₹)
	31.03.2015	31.03.2014
Provision for Employee Benefits	132,345	156,419
Provision for Income Tax (Net)	393,263	--
	525,608	156,419



Note 10: FIXED ASSETS										(All figures in ₹)	
DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	Opening Block as on 01.04.2014	Additions during the year	Deduction during the year	Block as on 31.03.2015	Amount upto 31.03.2014	For the year 2014-15	Withdrawn during the Year	Total upto 31.03.2015	Written down value as on 31.03.2015	Written down value as on 31.03.2014	
1. TANGIBLE ASSETS											
Land	68,262,761	--	--	68,262,761	--	--	--	--	68,262,761	68,262,761	
Building	201,914,043	5,059,636	2,935,990	204,037,689	30,652,573	7,691,556	2,935,990	35,408,139	168,629,551	171,261,470	
Plant & machinery	381,919,860	12,498,306	11,154,643	383,263,523	121,947,665	17,437,186	10,327,641	129,057,209	254,206,314	259,972,196	
Pollution Control Equipment	10,019,684	--	642,393	9,377,291	6,256,609	764,988	585,553	6,436,044	2,941,247	3,763,075	
Vehicles	4,383,729	--	584,542	3,799,187	2,780,656	241,979	549,819	2,472,817	1,326,371	1,603,073	
Furniture & Fixture	3,643,143	1,723,646	1,037,250	4,329,539	1,276,252	388,483	892,598	772,137	3,557,402	2,366,892	
Lab Equipment	8,535,187	1,207,408	1,636,268	8,106,327	3,907,029	3,482,049	1,258,990	6,130,088	1,976,240	4,628,158	
Office Equipment	6,813,285	418,402	5,755,146	1,476,541	5,265,361	393,111	5,127,867	530,604	945,937	1,547,924	
Computers	5,590,437	26,000	5,035,197	581,240	2,527,287	139,051	2,460,209	206,129	375,111	3,063,150	
R& D Equipment	120,888,937	--	10,223,492	110,665,445	66,471,097	4,523,909	3,344,314	67,650,693	43,014,753	54,417,840	
R & D Lab Equipment	52,696,915	--	20,431,706	32,265,209	21,802,889	5,914,231	13,191,411	14,525,709	17,739,500	30,894,026	
Safety Equipment	3,772,530	--	--	3,772,530	1,696,767	343,123	--	2,039,890	1,732,640	2,075,763	
Total	868,440,511	20,933,397	59,436,626	829,937,282	264,584,186	41,319,666	40,674,392	265,229,459	564,707,828	603,856,327	
2. INTANGIBLE ASSETS											
Computer Software	7,055,508	--	--	7,055,508	352,775	1,411,102	--	1,763,877	5,291,631	6,702,733	
3. CAPITAL WORK IN PROGRESS	--	24,581,903	20,933,397	3,648,506	--	--	--	--	3,648,506	--	
Grand Total	875,496,019	45,515,300	80,370,024	840,641,295	264,936,961	42,730,767	40,674,392	266,993,336	573,647,965	610,559,060	
Previous year Figures	834,982,855	156,291,625	115,778,460	875,496,019	230,078,136	35,179,787	320,963	264,936,961	610,559,060	604,904,726	

Note: In accordance with the provisions of Schedule II of the Companies Act, 2013, the Company has identified the fixed assets (Gross amount: ₹ 55.91 Million and carrying amount: ₹.17.41 Million) the useful life of which has expired and the same is charged to the opening balance of Profit & Loss Account (refer Note 2)



Note 11: LONG TERM LOANS & ADVANCES		(All figures in ₹)	
	31.03.2015	31.03.2014	
Unsecured, Considered Good:			
Security Deposits	4,998,705	4,715,411	
MAT Credit Entitlement	21,005,416	20,483,177	
	26,004,121	25,198,588	

Note 12: OTHER NON-CURRENT ASSETS		(All figures in ₹)	
	31.03.2015	31.03.2014	
Capital Advances			
Capital Advances to related party	--	7,671,050	
Capital Advances to others	--	11,200,320	
Employee Benefit Fund (Net)	60,099	281,475	
	60,099	19,152,845	

Note 13: INVENTORIES		(All figures in ₹)	
	31.03.2015	31.03.2014	
Valued at Cost or Realizable Value, whichever is lower			
Raw Materials	77,649,114	35,833,011	
Work-in-progress	86,804,881	69,527,060	
Finished Goods	--	27,588,258	
	164,453,995	132,948,329	

Note 14: TRADE RECEIVABLES		(All figures in ₹)	
	31.03.2015	31.03.2014	
Unsecured, Considered Good			
Outstanding for a period exceeding six months	1,985,583	22,234,755	
Less: Provision for bad debts	--	(1,502,500)	
Other Receivables	83,619,211	114,420,412	
	85,604,794	135,152,667	

Note 15: CASH AND CASH EQUIVALENTS		(All figures in ₹)	
	31.03.2015	31.03.2014	
a. Balances with Banks			
Current Accounts	169,762	136,738	
EEFC Account	18,882,459	7,252,353	
b. Cash on Hand	285,341	231,883	
c. Other Bank Balances			
Margin Money Deposit in Banks / Fixed Deposits	10,985,094	7,455,094	
Unpaid Dividend Accounts	809,623	810,323	
Unclaimed Refund of share application money	260	260	
	31,132,539	15,886,651	



Note 16: SHORT TERM LOANS AND ADVANCES		(All figures in ₹)	
	31.03.2015	31.03.2014	
Unsecured, Considered Good			
Balances With Revenue Authorities	48,830,264	58,686,962	
Prepaid Expenses	3,281,992	3,379,297	
Prepaid Taxes (Net)	566,198	795,222	
Advances to Suppliers	4,090,972	4,856,080	
Other Advances	876,550	913,439	
	57,645,976	68,631,000	

Note 17: OTHER CURRENT ASSETS		(All figures in ₹)	
	31.03.2015	31.03.2014	
Interest Receivable	1,115,626	662,834	
Income Tax Refund Receivable	5,291,718	5,291,718	
Insurance claim receivable	791,076	--	
Rent Receivable	101,081	--	
	7,299,501	5,954,552	

Note 18: REVENUE FROM OPERATIONS		(All figures in ₹)	
	31.03.2015	31.03.2014	
1. Sale of Products [including Job Work Charges of ₹ 1.405 Million (Previous Year: ₹ 0.83 Million)]	717,590,799	698,516,910	
Less: Excise Duty	33,196,571	38,059,615	
	684,394,228	660,457,295	

Note 19: OTHER INCOME		(All figures in ₹)	
	31.03.2015	31.03.2014	
1. Interest			
a. Interest earned	1,219,056	1,055,300	
2. Other Non-Operating Income			
a. Gain on Foreign Currency Translation and Transactions	--	2,861,931	
b. Miscellaneous Income	1,988,304	353,660	
c. Rental Income	1,331,472	--	
d. Balances / Excess Provisions written back	2,615,471	109,359	
	7,154,303	4,380,250	

Note 20: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		(All figures in ₹)	
	31.03.2015	31.03.2014	
1. Finished Goods			
a. Opening Stock	27,588,258	529,283	
b. Closing Stock	--	27,588,258	
Decrease / (Increase)	27,588,258	(27,058,975)	
2. Work in Progress			
a. Opening Stock	69,527,060	100,173,833	
b. Closing Stock	86,804,881	69,527,060	
Decrease / (Increase)	(17,277,821)	30,646,773	
Total Decrease / (Increase)	10,310,437	3,587,798	



Note 21: EMPLOYEE BENEFITS EXPENSE		(All figures in ₹)	
	31.03.2015	31.03.2014	
Salaries & Wages	60,201,860	52,705,323	
Contribution to Provident and Other Funds	2,304,303	1,723,117	
Staff Welfare Expenses	3,406,234	2,374,206	
	65,912,397	56,802,646	

Note 22: FINANCE COSTS		(All figures in ₹)	
	31.03.2015	31.03.2014	
Interest Expense	43,834,286	33,327,220	
Other Borrowing Costs	1,168,575	1,554,300	
	45,002,861	34,881,520	

Note 23: OTHER EXPENSES		(All figures in ₹)	
	31.03.2015	31.03.2014	
Consumption of Stores and Spares	27,383,131	25,780,180	
Power & Fuel	87,045,703	113,231,953	
Rent	174,000	--	
Repairs to Buildings	291,191	485,376	
Repairs to Machinery	6,286,941	7,014,777	
Insurance	2,716,717	2,505,345	
Production & Processing charges	4,570,841	10,524,415	
Rates and Taxes	2,434,649	2,281,373	
R & D	4,894,211	10,428,139	
Freight on Sales	23,111,220	20,865,735	
IPO Expenses Written off	--	6,599,233	
Net Loss on Foreign Currency Transaction & Translation	1,808,306	--	
Provision for Bad debts	--	1,502,500	
Miscellaneous Expenses	22,601,040	20,441,702	
	183,317,950	221,660,728	

Note 24: EXCEPTIONAL ITEMS		(All figures in ₹)	
	31.03.2015	31.03.2014	
Profit on sale of Assets	--	(9,262,998)	
Customs duty on DTA clearances	2,642,023	9,134,245	
Service Tax	4,688,329	--	
	7,330,352	(128,753)	

Note 25: EXTRAORDINARY ITEMS		(All figures in ₹)	
	31.03.2015	31.03.2014	
Overseas material handling expenses	3,407,658	--	
	3,407,658	--	

26. HISTORY:

Alkali Metals Ltd. which was established in 1968, at Hyderabad, Andhra Pradesh, India, as a closely held company, became a Public Listed company on 6th. November, 2008 being listed on BSE & NSE. Originally set up for manufacturing of Sodium Metal, the company subsequently diversified into manufacturing of Sodium derivatives, Pyridine derivatives, Fine Chemicals etc. The company is recognised as an “Export House” by DGFT and also recognised by Dept. of Science and Technology, New Delhi as an approved “In house R & D Facility”. The company has three manufacturing units, at Uppal, Dommara Pochampally and JNPC Visakhapatnam.

**27. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)****i. Contingent Liabilities****a. Claim against the company not acknowledged as debts - (All figures in ₹)**

	2014-15	2013-14
Income Tax	3,905,446	3,905,446
Sewerage cess claimed by HMWS&SB	2,188,086	1,134,441

b. Guarantees (All figures in ₹)

	2014-15	2013-14
a) Bank guarantees	760,000	372,550
b) Letters of credit	31,338,890	43,754,139

ii. COMMITMENTS

	2014-15	2013-14
Estimated amount of contracts remaining to be executed on capital account and not provided for	4,851,494	--

28. Unhedged foreign currency exposure at the year end: (All figures in ₹)

	2014-15	2013-14
a) Trade receivables	52,134,202	80,780,846
b) Trade payables	31,151,436	34,463,921
c) Advances given	--	7,671,050

29. The Disclosures of Employee Benefits as required by Accounting Standard – 15 (Revised) “Employee Benefits”, are given below:**i. Defined Contribution Plan**

Contributions to defined contribution plan recognized as expenses for the year are as under:

(All figures in ₹)

	2014-15	2013-14
Employer’s Contribution to PF	1,991,891	1,418,548
Employer’s Contribution to ESI	306,187	304,569

ii. Defined Benefit Plan

The Employees’ Gratuity Fund Scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit to build up the final obligation.



Reconciliation of opening and closing balances of the present value of defined benefit obligation:

(All figures in ₹)

	31-03-2015	31-03-2014	31-03-2015	31-03-2014
	Gratuity	Gratuity	Leave Enc.	Leave Enc.
	(Funded)	(Funded)	(Unfunded)	(Unfunded)
1 Assumptions				
Discount Rate	8%	8%	7.77%	8%
Salary Escalation	3%	3%	3%	3%
2 Changes in the present value of obligation				
Present value of obligations as at beginning of year	9,075,501	8,969,902	1,122,571	1,322,810
Interest cost	726,040	698,428	84,343	102,190
Current Service Cost	936,250	787,671	1,044,154	953,065
Benefits Paid	-	(479,111)	(1,36,556)	(90,880)
Actuarial (gain)/Loss on obligations	(399,810)	(901,389)	(1,358,410)	(1,164,614)
Present value of obligations as at end of year	10,337,981	9,075,501	756,102	1,122,571
3 Changes in Fair Value of Plan Assets				
Fair value of plan assets at beginning of year	9,356,976	8,859,354	--	--
Adjustment to opening balance	525,927	756,530	--	--
Expected return on plan assets	911,777	853,779	--	--
Contributions	495,908	220,203	136,556	90,880
Benefits paid	--	(479,111)	(136,556)	(90,880)
Actuarial Gain / (Loss) on Plan assets	(892,508)	(853,779)	--	--
Fair value of plan assets at the end of year	10,398,080	9,356,976	--	--
4 Fair Value of Plan Assets				
Fair value of plan assets at beginning of year	9,356,976	8,859,354	--	--
Adjustment to opening balance	525,927	756,530	--	--
Actual return on plan assets	19,269	--	--	--
Contributions	495,908	220,203	136,556	90,880
Benefits Paid	--	(479,111)	(136,556)	(90,880)
Fair value of plan assets at the end of year	10,398,080	9,356,976	--	--
Funded status	60,099	281,475	(756,102)	(1,122,571)
Excess of Actual over estimated return on plan assets	(892,508)	(853,779)	--	--
5 Actuarial Gain/Loss recognized				
Actuarial (gain)/Loss for the year –Obligation	399,810	(901,389)	1,358,410	(1,164,614)
Actuarial (gain)/Loss for the year - plan assets	(892,508)	853,779	--	--
Total (gain)/Loss for the year	(492,698)	(47,610)	1,358,410	(1,164,614)
Actuarial (gain)/Loss recognized in the year	(492,698)	(47,610)	1,358,410	(1,164,614)
6 The amounts to be recognized in the balance sheet and statements of profit and loss account				
Present value of obligations as at the end of year	10,337,981	9,075,501	756,102	1,122,571
Fair value of plan assets as at the end of the year	10,398,080	9,356,976	--	--
Funded status	60,099	281,475	(756,102)	(1,122,571)
Net asset/(liability) recognized in balance sheet	60,099	281,475	(756,102)	(1,122,571)
7 Expenses Recognised in statement of Profit & loss Account				
Current Service cost	936,250	787,671	1,044,154	953,065
Interest Cost	726,040	698,428	84,343	102,190
Expected return on plan assets	(911,777)	(853,779)	--	--
Net Actuarial (gain)/Loss recognised in the year	492,698	(47,610)	(1,358,410)	(1,164,614)
Expenses recognised in statement of Profit & Loss Account	1,243,211	584,710	(229,913)	(109,359)



The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

30. Earning Per Share

(All figures in ₹)

	2014-15	2013-14
Profit/(loss) after Taxes and exceptional items	2,838,885	(19,620,973)
Total No. of Shares	10,182,506	10,182,506
Earning per share (Basic and Diluted)	0.61	(1.93)
- Excluding extraordinary items		
Earning per share (Basic and Diluted)	0.28	(1.93)
- Including extraordinary items		

31 DEFERRED TAX

The Company has computed Deferred Tax in accordance with the Accounting Standard on Accounting for Taxes on income (AS-22) issued by the Institute of Chartered Accountants of India. As at the end of the year, the Company has substantial amount of carried forward losses under the Income Tax Act which resulted in Deferred Tax Asset. The details of deferred tax assets and liabilities of the Company as on the date of Balance Sheet are given below:

(All figures in ₹)

Sl	Particulars	31.03.2015	31.03.2014
	Timing Differences resulting in		
a	Deferred Tax Liability		
	Difference in depreciation on fixed assets	230,707,891	249,552,640
b	Deferred Tax Asset		
	Gratuity / Leave Encashment	756,102	1,122,571
	Carried forward losses under the Income Tax Act, 1961	316,489,986	326,687,356
	Sub- Total	317,246,088	327,809,927
	Net Timing Differences	(86,538,197)	(78,257,287)
	Deferred Tax Asset thereon at applicable tax rates	28,077,318	25,390,577

However, as a matter of prudence, the Company has not recognised the same in the books of account.

32. Segment Reporting

As the Company is predominantly engaged in the manufacture and sale of chemicals where the risks and returns associated with the products are uniform, the Company has identified geographical segments based on location of customers as reportable segments in accordance with AS 17 issued by ICAI.

a. Segment Revenue:

Geographical Location	2014-15		2013-14	
	₹	%	₹	%
Domestic	316,596,936	46.26	364,782,527	55.23
External	367,797,292	53.74	295,674,768	44.77
Total	684,394,228	100.00	660,457,295	100.00



b. Segment Assets (Trade Receivables):

Geographical Location	2014-15		2013-14	
	₹	%	₹	%
Domestic	33,470,592	39.10	54,371,821	40.23
External	52,134,202	60.90	80,780,846	59.77
Total	85,604,794	100.00	135,152,667	100.00

c. Other Disclosures:

(All figures in ₹)

Geographical Location	Carrying Amount of Segment Assets		Additions to Fixed Assets	
	2014-15	2013-14	2014-15	2013-14
Unallocable Assets	893,714,788	878,331,024	20,933,397	96,805,371

Note: The Company has no assets outside India other than the External Trade Receivables.

All the assets, other than trade receivables, are shown as Unallocable Assets.

33. RELATED PARTY TRANSACTIONS

In accordance with accounting standard 18 the details of related party transactions are as follows:

(All figures in ₹)

S. No.	Particulars of the Party	Nature of Relationship	Transaction	Transaction during the year 2014-15	Closing balance at the end of the year 2014-15
1	Sri Y.S.R. Venkata Rao	Managing Director	Remuneration	2,400,000 (2,400,000)	--
2	Sri Y.V. Prashanth	Executive Director	Remuneration	270,000 (Nil)	--
3	Sri Y.S.R. Venkata Rao	Managing Director	Unsecured Loan Received	Nil (6,900,000)	31,000,000 (39,900,000)
			Unsecured Loan paid	8,900,000 (Nil)	
4	CDC Industrial Infra Ltd.	Promoter Group Company	Unsecured Loan received	Nil (42,165,000)	26,500,000 (40,066,376)
			Unsecured Loan paid	13,566,376 (51,098,625)	
5	CDC Infra (p) Ltd.	Promoter Group Company	Capital advance for project work	Nil (33,194,675)	Nil (7,671,050)
			Capital Advance refunded	7,671,050 (25,523,625)	
6	Sri Y.S.R. Venkata Rao	Managing Director	Interest on Unsecured Loan	2,919,562 (Nil)	--
7	CDC Industrial Infra Ltd.	Promoter Group Company	Interest on Unsecured Loan	2,342,097 (Nil)	--



34. Additional information pursuant to note 5 of Part II of Revised Schedule VI of the Companies Act, 1956:

A. TURNOVER

(All figures in ₹)

Product	Turnover Value	Closing stock of Finished Goods Value
Sodium Metal Derivatives, Amino Pyridines, Fine Chemicals	684,126,352 (659,828,653)	-- (27,588,258)
Caustic Lye	267,876 (628,642)	--

(Figures in Brackets relate to previous year)

B. WORK IN PROGRESS

(All figures in ₹)

Product	Opening Stock	Closing Stock
Sodium Metal Derivatives, Amino Pyridines, Fine Chemicals	69,527,060 (100,173,833)	86,804,881 (69,527,060)

(Figures in Brackets relate to previous year)

C. CONSUMPTION

(All figures in ₹)

	2014-15	2013-14
1) Chemicals	281,408,488	274,548,732
2) Gases (MT)	24,198,025	28,238,655
Gases (CYL)	14,564,040	18,870,199
3) Oils & solvents (KL)	4,63,873	6,639,600
Oils & solvents (MT)	9,860,914	16,245,532
Total	330,495,340	344,542,718

D. BREAK UP OF CONSUMPTION OF RAW MATERIALS

	2014-15 Value ₹	2014-15 %	2013-14 Value ₹	2013-14 %
Indigenous	142,038,281	42.98	144,534,347	41.95
Imported	188,457,059	57.02	200,008,371	58.05
Total	330,495,340	100.00	344,542,718	100.00

E. FOREIGN EXCHANGE TRANSACTIONS

(All figures in ₹)

	2014-15	2013-14
a) C.I.F value of Imports		
Raw Materials	168,953,970	184,320,406
b) Expenditure in Foreign currency		
i) Travelling	237,500	214,050
ii) Professional Charges	1,079,600	684,851
iii) Others	2,257,061	3,574,161
c) Earnings in Foreign Currency		
F.O.B Value of Exports	347,797,134	278,351,063

**35. Remuneration to Auditor (excluding service tax):****(All figures in ₹)**

	Particulars	2014-15	2013-14
1	Auditor	300,000	300,000
2	For Taxation Matters	50,000	180,000
3	For certifications	66,000	99,000

36. Figures of the previous year have been regrouped / rearranged / reclassified wherever considered necessary to conform to the classification of the current year.

As per our Report attached
for C K S Associates
Chartered Accountants (FRN 007390S)

For and on Behalf of Board of Directors

C. KRISHNA BABU
PARTNER
M.No.: 019827

Sd/-
P. SANKARA RAO
CFO

Sd/-
Y.S.R.VENKATA RAO
MANAGING DIRECTOR
DIN: 00345524

Sd/-
DR. J.S. YADAV
CHAIRMAN
DIN: 02014136

Place: Hyderabad
Dated: 09.05.2015



Location map of ANNUAL GENERAL MEETING venue: Hotel Green Park, Hyderabad





ALKALI METALS LIMITED
 CIN: L27109TG1968PLC001196
 B-5, BLOCK III, IDA, UPPAL, HYDERABAD – 500 039
ATTENDANCE SLIP
ANNUAL GENERAL MEETING- 19/09/2015 – 11.00 AM

DP. Id		Name & Address Of The Registered Shareholder /Proxy
Client Id/ Folio No.		
No. of Shares		

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the 47th ANNUAL GENERAL MEETING of the Company at Hotel Greenpark, Ameerpet, Hyderabad – 500 016 on 19/09/2015 at 11.00 AM

Member's/Proxy's Signature

Note: Please complete this form and hand it over at the entrance of the hall.

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]

CIN : L27109TG1968PLC001196
 Name of the Company : **ALKALI METALS LIMITED**
 Registered Office : PLOT NO.5, BLOCK III, IDA, UPPAL, Hyderabad – 500 039

Name of the member (s)	:	
Registered address	:	
E-mail Id	:	
Folio No/ Client Id	:	
DP ID	:	

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/ballot) for me/us and on my/our behalf at the 47th Annual General Meeting of the Company, to be held on Saturday, 19th September, 2015 at 11:00 AM at the Hotel Greenpark, Ameerpet, Hyderabad-500 016 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.	2.	3.
4.	5.	

Signed this day of 2015.

Signature of shareholder :

Signature of Proxy holder(s) :

Affix ₹1/- Revenue Stamp

Note: 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.

Regd. POST

**An
ISO 9001, 14001
Company &
Export House**

**BUREAU VERITAS
Certification**



If undelivered, please return to



Alkali Metals Ltd.,

B-5, Block-III, IDA, Uppal,
Hyderabad - 500 039. INDIA
Ph : ++91-40-27201179, 27202298
Fax : ++91-40-27201454
e-mail : alkalimetals@alkalimetals.com
website : www.alkalimetals.com