



# ALKALI METALS LIMITED

AN ISO 9001 & 14001, API COMPANY AND EXPORT HOUSE

# 54<sup>th</sup>

## ANNUAL REPORT

2021 – 2022



**BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL**

Dr. J. S. Yadav	Chairman & Independent Director
Sri. G. Jayaraman	Independent Director
Sri. K.V. Suryaprakash Rao	Independent Director
Sri. Y. S. R. Venkata Rao	Managing Director
Smt. Y. Lalithya Poorna	Director
Dr. A.R. Prasad	Director
Ms. K. Uma Kumari	Chief Financial Officer
Mr. Siddharth Dubey	Company Secretary & Compliance Officer

**BANKERS**

State Bank of India  
Commercial Branch, Bank Street,  
Koti, Hyderabad - 500 095.

**STATUTORY AUDITORS**

M/s. G. Nagendrasundram & Co.  
Chartered Accountants

**INTERNAL AUDITOR**

Ramakrishna & Associates  
Chartered Accountants

**SECRETARIAL AUDITOR**

CS B. Venkatesh Babu  
Practicing Company Secretary

**REGISTERED OFFICE & FACTORIES****Unit - I**

Plot B-5, Block III, Industrial Development Area,  
Uppal, Hyderabad - 500 039.

**Unit - II**

Sy.No. 299 to 302, Dommara Pochampally Village,  
Qutubullapur Mandal, Medchal District - 500 043.

**Unit - III**

Plot No. 36, 37 & 38, JN Pharma City,  
Visakhapatnam - 531 019.

**REGISTRAR AND SHARE TRANSFER AGENT**

M/s. Cameo Corporate Services Limited  
Subramanian Building, No.1, Club House Road,  
Chennai - 600 002.



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**NOTICE OF THE ANNUAL GENERAL MEETING**

Notice is hereby given that the **54<sup>th</sup> Annual General Meeting** of M/s. Alkali Metals Limited will be held on **Monday the August 22, 2022 at 11:00 AM** through Video Conference (VC) / Other Audio Visual Means (OAVM) to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements as on March 31, 2022 together with the reports of the Directors and Auditors thereon.
2. To declare dividend for the financial year 2021-22.
3. To elect a Director in place of Mrs. Y. Lalithya Poorna (DIN: 00345471) who retires by rotation and is eligible for re-appointment.

By order of the Board of Directors  
**For Alkali Metals Limited**

Place : Hyderabad  
Date : May 24, 2022

**Y.S.R. Venkata Rao**  
Managing Director  
DIN: 00345524

**NOTES**

1. In view of the situation arising due to continuing COVID-19 global pandemic, the general meetings of the Companies shall be conducted online as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 02/2022 dated May 5, 2022 and SEBI Circle dated May 13, 2022. The forthcoming AGM will thus be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing Annual General Meeting (“AGM”) through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) read with Circular dated May 13, 2022 and MCA Circulars dated January 13, 2021, December 8, 2021, December 14, 2021 and May 5, 2022 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. Thereby facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 8, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 02/2022 dated May 5, 2022 reading with Circular No. 20/2020 dated May 5, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.alkalimetals.com](http://www.alkalimetals.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/ herself and such proxy need not be a member. In terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies.



Accordingly, facility of appointment of proxies by Members under Section 105 of the Act, will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.

8. The Register of members and transfer books of the company will remain closed from Tuesday the **August 16, 2022 to Monday the August 22, 2022** both days inclusive.
9. 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.
10. 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 favor without hassles. Members desirous of making any cancellation/variation in the said nomination can do so in SH-14.
11. 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. As per the amended Provisions based on the PAN, all different folios of the same PAN will be treated as one folio.
12. Members are requested to refer to the Corporate Governance Report for information in connection with the unpaid / unclaimed dividend along with underlying shares thereto liable to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government. Members are requested to refer the web site of the Company [www.alkalimetals.com](http://www.alkalimetals.com) for the details made available by the Company pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017.

As per Section 124(6) of the Act read with the IEPF Rules as amended from time to time, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to an IEPF Demat Account. In case the dividends are not claimed by the respective shareholders. Company had transferred unpaid/unclaimed dividend till the financial year 2012-13 along with underlying shares to IEPF authorities. Company will initiate the necessary steps on due dates to transfer shares held by the members to IEPF along with dividend remaining unpaid/unclaimed thereon.

Members may please note that in the event of transfer of such shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF authorities by submitting an online application in the prescribed Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF- 5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with



whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Registrars and Transfer Agents of Company.

14. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the Demat account holders, by way of a single login credential, through their Demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

15. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide the members with facility to exercise their right to vote at the 54<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-voting Services provided by Central Depository Services (India) Limited (CDSL).

The e-voting period commences on **Friday the August 19, 2022 (09:00 AM) and ends on Sunday the August 21, 2022 (05:00 PM)**. During this period shareholders of the Company, holding shares as on cut-off date **Monday the August 15, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Since **August 15, 2022** is a national holiday, the depositories will consider the data as on the immediately preceding trading day that is **August 12, 2022** and this data will be used for determining eligible shareholders for the cut-off purpose. 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 entitle 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 remote 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.



**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

16. i. The voting period begins on **Friday the August 19, 2022 (09:00 AM) and ends on Sunday the August 21, 2022 (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 **Monday the August 15, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Since **August 15, 2022** is a national holiday, the depositories will consider the data as on the immediately preceding trading day that is **August 12, 2022** and this data will be used for determining eligible shareholders for the cut-off purpose.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts in order to access e-Voting facility. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in Demat mode with CDSL</b>	<p>a) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <b><a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a></b> and click on Login icon and select New System Myeasi.</p> <p>b) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>c) If the user is not registered for Easi/Easiest, option to register is available at <b><a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></b></p> <p>d) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <b><a href="http://www.cdslindia.com">www.cdslindia.com</a></b> home page. The system will authenticate the user by sending OTP on registered mobile number &amp; email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>



<b>Individual Shareholders holding securities in Demat mode with NSDL</b>	<p>a) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following <b>URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></b> either on a personal computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, a new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>b) If the user is not registered for IDeAS e-Services, option to register is available at <b><a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></b>. Select “<b>Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></b>”</p> <p>c) Visit the e-Voting website of NSDL. Open web browser by typing the following <b>URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></b> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section, a new screen will open. You will have to enter your User ID (i.e. your sixteen digit Demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<b>Individual Shareholders (holding securities in Demat mode) login through their Depository Participants</b>	<p>You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:**

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

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

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

- iv. Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
- The shareholders should log on to the e-voting website **www.evotingindia.com**.
  - Click on “Shareholders” module.
  - Now enter your User ID
    - ✓ For **CDSL**: 16 digits beneficiary ID,
    - ✓ For **NSDL**: 8 Character DP ID followed by 8 Digits Client ID,
    - ✓ Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - Next enter the Image Verification as displayed and Click on Login.
  - If you are holding shares in Demat form and had logged on to **www.evotingindia.com** and voted on an earlier e-voting of any company, then your existing password is to be used.
  - If you are a first-time user follow the steps given below:

Mode	For Shareholders holding shares in Demat Form other than individual and Physical Form
<b>PAN</b>	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"> <li>• Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>



- g) After entering these details appropriately, click on “SUBMIT” tab.
  - h) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
  - i) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - j) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
  - k) 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.
  - l) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
  - m) 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.
  - n) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - o) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
  - p) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- v. **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
- a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to **www.evotingindia.com** and register themselves in the “Corporates” module.
  - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
  - c) 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.
  - d) The list of accounts linked in the login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
  - e) 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.



- f) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; **secretarial@alkalimetals.com, cs.alkalimetals@gmail.com** (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

17. i. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- ii. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- iii. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/.
- iv. Shareholders are encouraged to join the Meeting through Laptops /IPads for better experience.
- v. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- vi. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- vii. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their requesting advance at least 7 days prior to meeting mentioning their name, Demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, Demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- viii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- ix. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- x. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES.**

18. i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- ii. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
- iii. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to **helpdesk.evoting@cdslindia.com** or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to **helpdesk.evoting@cdslindia.com** or call toll free no. 1800 22 55 33.

**BOARD'S REPORT**

To,  
The Members,  
Alkali Metals Limited

Your Director's have pleasure in presenting the 54<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2022.

**1. Results of our operations**

The results of our Operations for the Financial Year ended March 31, 2022 is summarized as below:

(All figures in ₹ Lakhs)

<b>Particulars</b>	<b>Financial Year 2021-22</b>	<b>Financial Year 2020-21</b>
Turnover	<b>9,101.59</b>	5,537.70
Other Income	<b>29.09</b>	19.04
Total Revenue	<b>9,130.68</b>	5,556.74
Profit/(Loss) before finance charges, depreciation and taxation	<b>1,167.44</b>	625.54
Less : Finance Charges	<b>263.13</b>	254.17
Depreciation and Amortization expense	<b>385.87</b>	334.87
Profit/(Loss) before exceptional items and tax	<b>518.44</b>	36.50
Less: Exceptional items	<b>15.03</b>	14.47
Profit/(Loss) before tax	<b>503.41</b>	22.03
Less : Current Year's tax (MAT)	<b>84.89</b>	4.68
MAT Credit Entitlement	<b>(84.89)</b>	(4.68)
Deferred Tax	<b>155.33</b>	142.73
Profit/(Loss) After tax	<b>348.08</b>	(120.70)
Other Comprehensive Income (net)	<b>4.70</b>	29.17
Total Comprehensive income for the period	<b>352.78</b>	(91.53)

During the year 2021-22, the Company recorded a turnover of ₹ 9,101.59 Lakhs and Net Profit of ₹ 352.78 Lakhs compared to the turnover of ₹ 5,537.70 Lakhs and Net Loss of ₹ 91.53 Lakhs of previous year 2020-21.

The Management put its best efforts and with the support of the all the employees, your Company could achieve the highest ever turnover and as a result earned ₹ 503.41 Lakhs Profit before tax. After the Second and Third Wave of Covid-19 the markets opened up and the Company's products were in demand in the International Market which resulted in higher exports and better performance. The Company hopes that situation stays stable and similar trend continues in the future as well.

**2. Dividend**

In view of the good performance of the Company, the Board of Directors have recommended dividend of 20 % amounting ₹ 2 per equity share of ₹ 10 each paid-up for the approval of the



shareholders at the ensuing Annual General Meeting for the Financial Year 2021-22. The said dividend will be paid to shareholders who hold shares as on record date within 30 days of declaration by the shareholders.

**3. Reserves**

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

**4. Future outlook**

As per forecast the Chemical Industry is expected to grow 9% p.a. However, impending Covid waves and economic conditions, the industry has become volatile.

The Company is continuously working on identifying new products, processes and commercializing the new products based on the Industry and client requirements. Your Directors are expecting expansion of its product base thereby increase in turnover and margins.

**5. Research & Development**

The Company has spent ₹ 141.79 Lakhs towards Research and Development during the Financial Year under review and is putting continuous efforts in R&D to develop the new products and process for optimum material consumption by effective yield.

**6. Change in the nature of business, if any**

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

**7. Material changes and commitments after the closure of Financial Year**

There are no material changes or commitments affecting the financial position of the Company between the end of the Financial Year and the date of the report.

**8. 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.

**9. Internal Financial Controls**

Your Company had adequate internal controls and such procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including safeguarding of all its assets and prevention/detection of frauds and errors, accuracy and completeness of accounting records.

The Auditors have verified the internal financial controls and tested the adequacy and the procedures adopted by the Company and confirm that the controls are adequate to the size of the transactions. The audit committee reviews and monitors the controls and process on a regular basis.

**10. Risk Management**

The Management of the Company will take adequate steps in identifying, assessing, controlling and mitigating the risks associated with different areas of its business operations.

**11. Details of Subsidiary/Joint Ventures/Associate Companies**

Your Company had no subsidiaries, Joint Ventures and associate companies during the Financial Year under review.

**12. Deposits**

Your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 during the year under review and also no outstanding deposits at the beginning of the Financial Year.



**13. Auditors****Statutory Auditors**

The members at the 51<sup>st</sup> Annual General Meeting of the Company held on August 3, 2019 had appointed M/s. G. Nagendrasundaram & Co., Chartered Accountants as Statutory Auditors for a term of 5 years from the conclusion of the 51<sup>st</sup> Annual General Meeting on such remuneration as may be determined by the Board of Directors. The members may note that the Ministry of Corporate Affairs vide notification dated May 7, 2018, has done away with the requirement of yearly ratification of appointment of Statutory Auditors, at the AGM. Therefore, there is no proposed resolution at the ensuing Annual General Meeting.

Pursuant to Section 139 of the Companies Act, 2013 the statutory auditors G. Nagendrasundaram & Co., Chartered Accountants have confirmed they are eligible to continue as auditors. Their report for the Financial Year 2021-22 does not contain any qualification, reservation or adverse remark.

**Internal Auditors**

The Board of Directors of the Company had appointed M/s. Ramakrishna & Associates, Chartered Accountants as Internal Auditors to conduct the Internal Audit of the company for the Financial Year ended March 31, 2022.

M/s. Ramakrishna & Associates, Chartered Accountants have been re-appointed as Internal Auditors for FY 2022-23.

**Secretarial Auditors**

The Board of Directors of the Company had appointed CS B. Venkatesh Babu, Practicing Company Secretary as Secretarial Auditor to conduct Secretarial Audit and Secretarial Compliance Report of the Company for the Financial Year ended March 31, 2022 and his report does not contain any qualification, reservation or adverse remark.

CS B. Venkatesh Babu, Practicing Company Secretary has been re-appointed as Secretarial Auditor for FY 2022-23.

**14. 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.

**15. Extract of the Annual Return**

Pursuant to the provisions of Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, a copy of the Annual Return of the Company is available at the Company's website [www.alkalimetals.com](http://www.alkalimetals.com).

**16. 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 - 1 and shall form part of this report.

**17. Corporate Social Responsibility (CSR)**

The provisions of the Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company for the Financial Year 2021-22. However, the Promoters on their part realize their responsibility towards the society by providing financial assistance towards education to the needy students through a Charitable Trust run by them. During the year Company contributed an amount of ₹ 3 Lakhs to the Dr. Y.V.S. Murty Charitable Trust to achieve this object.



The provisions of Section 135 of Companies Act, 2013 are applicable to the Company for the financial year 2022-23 based on the profit earned by the Company during 2021-22. Accordingly, the Company is taking steps to form CSR committee and implement the CSR activities in compliance of the provisions of Section 135 of the Companies Act 2013 read with rules made thereunder.

**18. Directors****i. Regularization:**

During the year under review, at the AGM held on August 21, 2021, Dr. A.R. Prasad was appointed as a Director liable to retire by rotation. He was originally appointed as an Additional Director by the Board of Directors wherein his tenure was upto the AGM held on August 21, 2021.

**ii Retire by Rotation:**

Further Smt. Y. Lalithya Poorna, Director, retires by rotation and is eligible for reappointment at the ensuing Annual General Meeting.

Details of composition of the Board, number of Board meetings and profile of directors are covered under the Corporate Governance section.

**Declaration by an Independent Director**

Company had received the declarations by all the Independent Directors that they meet the criteria of independence as per the provisions of Section 149 of the Companies Act, 2013 and they are registered with Indian Institute of Corporate Affairs (IICA) as per the amended provisions of the Companies Act, 2013.

**Formal Annual Evaluation**

Pursuant to the provisions of the Companies Act, 2013, 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.

**19. Key Managerial Personnel**

There was no change in the Key Managerial Personnel during the year under review.

**20. Director's Responsibility Statement**

As per the provisions of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors 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) they 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 of the company for that period;
- c) they 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 annual accounts on a going concern basis; and



- e) they 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) proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**21. Committees**

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

**22. 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](http://www.alkalimetals.com) under Investors 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.

Sri Y.S.R. Venkata Rao, Managing Director is designated as ombudsperson to deal with all the complaints registered under the policy.

**23. Policy on prevention of sexual harassment of women at workplace**

There has always been an endeavor on the part of the Company to create and provide an environment that is free from discrimination and harassment including sexual harassment. The 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 the Internal Complaints Committee has not received any complaints/incident of harassment.

**24. 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. Also there are no outstanding amounts of loans given, guarantees provided and/or investments made at the beginning of the year as well.

**25. Particulars of contracts or arrangements with related parties**

During the Financial Year under review, Company had entered into certain Related Party Transactions which are all on arms length basis; details of all such transactions as required under section 188 of Companies Act are annexed in Form AOC-2 forming part of the Board's Report as Annexure-2.

The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions which can be accessed at the Company website [www.alkalimetals.com](http://www.alkalimetals.com) under Investors tab.

**26. Managerial Remuneration / Employee Details**

The Details required to be provided pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed and forming part of the Board's Report as Annexure -3.



There are no employees in the Company in receipt of amounts covered in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The top 10 employees details shall be provided to the shareholders who make specific request to the Company.

**27. Secretarial Audit Report**

Secretarial Audit Report including Secretarial Compliance Report as per SEBI (LODR) Regulations for the Financial Year 2021-22 obtained from CS B. Venkatesh Babu, Company Secretary in Practice is annexed and forming part of the Board's Report as Annexure -4.

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

In terms of Regulation 34 of the SEBI (LODR) Regulations, 2015, a Report on Corporate Governance along with Compliance Certificate issued by Statutory Auditor's of the Company and also the Management Discussion and Analysis report is annexed and forms integral part of the Board's Report.

**29. Insurance**

All the properties and insurable interests of the Company including Building, Plant and Machinery and Stocks have been adequately insured. The Company also has Directors & Officers Indemnity Policy for Directors and Key Managerial Personnel and group accidental policy to all the workmen and staff. Furthermore a group medical policy is provided to the staff who are not covered under ESI policy.

**30. 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 are paid till the current Financial Year.

**31. Cost Records**

Pursuant to provisions of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 the Company is maintaining Cost Records.

**32. Compliance of Secretarial Standards**

The Company has duly complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India, for the Board and General Meetings.

**33. Acknowledgment**

Your Directors are pleased to record their appreciation for the sincere and dedicated services of the employees and workmen at all levels. Your Directors express their gratitude to all stakeholders-shareholders, customers, suppliers, business associates, bankers, regulatory and Government Authorities for their continued support at all times.

Your Directors look forward to have continued support in our future endeavors.

For and on behalf of Board of Directors  
**For Alkali Metals Limited**

Place : Hyderabad  
Date : May 24, 2022

**Y.S.R. Venkata Rao**  
Managing Director  
DIN: 00345524

**Dr. J.S. Yadav**  
Director  
DIN: 02014136

**ANNEXURE -1**

**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:**

**1. CONSERVATION OF ENERGY**

i. The steps taken or impact on conservation of energy:

The Company is taking continuous measures for conserving the energy. Company had installed Hydrogen recovery plant and Nitrous oxide generation plant at all the units which will help in reduction of cost and re usage of fuels from the recovery plants. Company had taken measures for usage of cost effective fuels. The measures taken by the Company had substantial contribution towards cost reduction.

ii. The steps taken by the Company for utilizing alternate sources of energy:

The Company will take continuous steps to use the alternate sources by using cost effective fuels. The Company operations are mainly utilized through electrical power supported by generator back up for continuous operations.

iii. The Capital investment on energy conservation equipments:

Not envisaged any additional investment in the coming year.

**2. TECHNOLOGY ABSORPTION**

i. The Efforts made towards technology absorption:

The Company applies its own technology for its manufacturing processes carried out. Furthermore, there has been an endeavor to develop methods 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: ₹ 141.79 Lakhs.

**3. FOREIGN EXCHANGE EARNINGS AND OUTGO**

(All figures in ₹ Lakhs)

	2021-22		2020-21	
Earnings		5,296.29		2,577.09
Outgo		1,462.68		1,351.69
Raw Materials	1,395.10		1,351.69	
Equipments	67.58		-	
Foreign currency Exp.	-		-	
Net Foreign Exchange earnings		3,833.61		1,225.40

For and on behalf of Board of Directors  
**For Alkali Metals Limited**

Place : Hyderabad  
Date : May 24, 2022

**Y.S.R. Venkata Rao**  
Managing Director  
DIN: 00345524

**Dr. J.S. Yadav**  
Director  
DIN: 02014136



**Annexure -2**  
**Form No. AOC-2**  
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014  
**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1)  
of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
2. Details of Contract or arrangements or transactions at arm's length basis:

Name(s) of the related party	Nature of Relationship	Nature of contracts/arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board/ Members, if any	Amount paid as advances, if Any
Sri Y.S.R. Venkata Rao	Managing Director	Office Rent (including Deposit)	Continuous Transactions	Rent paid amounted to ₹ 4.47 Lakhs	February 5, 2019	3 months rent as rental deposit
Mr. Y.V. Prashanth	Relative of Managing Director	Office Rent (including Deposit)	Continuous Transactions	Rent paid amounted to ₹ 8.93 Lakhs	February 5, 2019	3 months rent as rental deposit
CDC Industrial Infras Limited	Entity in which Promoter Directors are interested	Office Rent (including Deposit)	Continuous Transactions	Rent paid amounted to ₹ 4.47 Lakhs	February 5, 2019	3 months rent as rental deposit
Asian Herbox Limited	Entity in which Promoter Directors are interested	Godown Rent (including Deposit)	Continuous Transactions	Rent paid amounted to ₹ 76.52 Lakhs	February 10, 2021	3 months rent as rental deposit
Zigna Analytics Private Limited	Entity in which Promoter Directors are interested	Sales Commission	Continuous Transactions	Commission paid amounted to ₹ 17.81 Lakhs	February 5, 2019	No
Dr. Y.V.S Murthy Charitable Trust	Promoter Directors are Trustees	Donation	One-Time Transaction	Donation given ₹ 3.00 Lakhs	October 30, 2021	No

February 10, 2021

For and on behalf of Board of Directors  
**For Alkali Metals Limited**

**Y.S.R. Venkata Rao**  
Managing Director  
DIN: 00345524

**Dr. J.S. Yadav**  
Director  
DIN: 02014136

Place : Hyderabad  
Date : May 24, 2022

**Annexure-3****Statement of particulars as per Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014**

1. 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
i.	Sri. Y.S.R.Venkata Rao, Managing Director	27.63

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

2. 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
i.	Sri. Y.S.R.Venkata Rao, Managing Director	43.37%
ii.	Ms. K. Uma Kumari, CFO	15.88%
iii.	Mr. Siddharth Dubey, CS	27.54%

3. The percentage increase in the median remuneration of employees in the financial year: 13.04%
4. The number of permanent employees on the rolls of Company:  
108 members as on March 31, 2022.
5. The explanation on the relationship between average increase in remuneration and company's performance

Average Increase/(Decrease) in remuneration	Company's performance
27.47	Turnover is ₹ 9,101.59 Lakhs and Net Profit is ₹ 352.78 Lakhs

6. Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the company

Turnover	₹ 9,101.59 Lakhs
Net Profit	₹ 352.78 Lakhs
Total Remuneration to KMP	₹ 130.12 Lakhs

7. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or 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:



S.No.	Particulars	31.03.2022	31.03.2021
i.	Market Capitalization		
	BSE (amount in ₹ in Lakhs)	7,962.72	5,070.89
	NSE (amount in ₹ in Lakhs)	8,074.73	5,086.16
ii.	Price Earnings ratio (based on Basic EPS)		
	BSE	22.57	(55.38)
	NSE	22.88	(55.55)
iii.	Market quotation of the shares compared to rate at which it 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 March 31, 2022 (last trading day) the market quotation of the company shares price is ₹ 78.20 on BSE and ₹ 79.30 on NSE.			

8. 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 26.18% and Managerial Personnel is 43.37%.

9. 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 2021-22	% to Turnover
i.	Sri. Y.S.R. Venkata Rao, MD	₹ 104.79 Lakhs	Turnover ₹ 9,101.59 Lakhs Net Profit ₹ 352.78 Lakhs	1.15%
ii.	Ms. K. Uma Kumari, CFO	₹ 17.51 Lakhs		0.19%
iii.	Mr. Siddharth Dubey, CS	₹ 7.81 Lakhs		0.09%

10. The key parameters for any variable component of remuneration availed by the directors :  
Managing Director is entitled 5% on profits computed as per Section 198 of the Companies Act 2013, as part of remuneration during the year ended March 31, 2022.
11. 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.
12. 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, KMP and Other Employees.

For and on behalf of Board of Directors  
**For Alkali Metals Limited**

Place: Hyderabad  
Date : May 24, 2022

**Y.S.R. Venkata Rao**  
Managing Director  
DIN: 00345524

**Dr. J.S. Yadav**  
Director  
DIN: 02014136



**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 March 31, 2022)**

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 (CIN: L27109TG1968PLC001196)** (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 March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

The Company is carrying on the business activities of manufacture of Intermediaries such as Organic and Inorganic Chemicals, Fine Chemicals and Bulk Drug.

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 March 31, 2022 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, 2015;
  - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;



- e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- g. 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;
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I have also examined compliance with applicable clauses of the following:

- i. The Secretarial Standards on the meeting of the Board of Directors and General Meetings issued by The Institute of Company Secretaries of India.
- ii. The Memorandum and Articles of Association.

During the year under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards etc mentioned above to the extent applicable to the Company subject to as provided below.

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.

The Company has identified the following laws as specifically applicable to the Company:

- a. Petroleum And Explosives Safety Organisation (Formerly Department of Explosives)
- b. Drugs and Cosmetics Act, 1940
- c. Prohibition and Excise
- d. Water (Prevention and Control of Pollution) Act, 1974
- e. Air (Prevention and Control of Pollution) Act, 1981
- f. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
- g. Indian Boilers Act, 1923

I further report that based on the information received, explanations given, process explained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with Sector Specific laws, rules, regulations and guidelines.

I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Independent Directors and Woman Director.

The following are the changes in the composition of the Board of Directors and KMPs during the year under review.

- Sri. Y.S.R. Venkata Rao, Managing Director re appointed for a further period of 3 years effective from May 1, 2021 (as per the approval of the members at the 52<sup>nd</sup> Annual General Meeting held on September 26, 2020).



- Dr A.R. Prasad, who had been appointed as an Additional Director on February 10, 2021 was Appointed as Director liable to retire by rotation at the Annual General Meeting held on August 21, 2021.
- 2. Adequate notice is given to all directors to conduct the Meetings of Board and its committees. 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.
- 4. During the year, the Company had entered into related party transactions at arm's length price with the approval of the audit committee and Board.

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.

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 : May 24, 2022

**CS B. Venkatesh Babu**  
Company Secretary  
FCS No. 6708, CP.No. 5103  
Peer Review No. 1954/2022  
UDINF006708D000371479

Note: This report is to be read with our letter of even date, which is annexed, and form an integral part of this report.

**ANNEXURE**

To

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

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

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

Place : Hyderabad  
Date : May 24, 2022

**CS B. Venkatesh Babu**  
Company Secretary  
FCS No. 6708, CP.No. 5103  
Peer Review No. 1954/2022  
UDIN F006708D000371479



## **Secretarial Compliance Report of Alkali Metals Limited for the year ended March 31, 2022**

ICS B. Venkatesh Babu have examined:

- a. all the documents and records made available to me and explanation provided by Alkali Metals Limited (CIN: L27109TG1968PLC001196) (“the listed entity”)
- b. the filings/ submissions made by the listed entity to the stock exchanges,
- c. website of the listed entity,
- d. any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended March 31, 2022 (“Review Period”) in respect of compliance with the provisions of:

- a. the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- b. the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

And based on the above examination, I hereby report that, during the Review Period:

- a. The listed entity has complied with the provisions of the applicable above Regulations and circulars/ guidelines issued thereunder.
- b. The listed entity has maintained proper records under the applicable provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
- c. The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:



Sl. No.	Action taken by	Details of violation	Details of action taken	Observations/ Remarks of the Practicing Company Secretary
1.	Notice issued by BSE and NSE for Non-Compliance of SEBI LODR Dt. May 17, 2021	Violation of regulation 17(1) of SEBI LODR for not having 6 Directors.	Imposed the Fine from January 1, 2021 to February 11, 2021.	The Company has applied to BSE and NSE for a waiver of the same and paid part of the penalty to BSE under protest.  The NSE had waived off the fine and reply from BSE is awaited.

- d. The listed entity has taken the following actions to comply with the observations made in previous reports:

Sl. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31/03/2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
	<p>The Company) was in the list of Top 2000 Companies as per Market Capitalization and required to have 6 members in the Board of Directors from April 1, 2020. At the starting of the financial year. The Company was in compliance of the provisions relating to the composition of the Board. In the month of June 2020 one of the Directors of the Company had resigned and the Company had faced challenges to fill the vacant position due to the Covid 19 pandemic. The Company requested the Stock Exchanges to provide time till March 2021 to comply with the said requirement. Meanwhile a Director was appointed in the month of February 2021. Thereafter, the Stock Exchanges had imposed a fine for the intervening period beginning from October 1, 2020 to February 11, 2021.</p> <p>The Company had made the application for the waiver of the fine and paid part of fine to BSE. NSE had waived of the fine and the order from BSE is awaited.</p>			

Place : Hyderabad  
Date : May 24, 2022

**CS B. Venkatesh Babu**  
Company Secretary  
FCS No. 6708, CP.No. 5103  
Peer Review No. 1954/2022  
UDIN F006708D000371501



## 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 together form part of this Annual Report.

### ECONOMY REVIEW

According to estimates, the Indian Chemical Industry is expected to contribute US\$ 300 billion to India's GDP by 2025. The export of Indian Chemical registered a significant growth during the FY 2021-22. The Supply disruption in China had caused the global end-user industries to diversify their vendor base mainly towards Indian Companies. The increased environmental concerns coupled with Covid related issues led to closure of plants in the Europe and China, due to which the Indian Speciality Chemical Companies were in demand. From April 2021 to March 2022, exports of organic & inorganic chemicals increased approximately 33.75% Year-over-Year to reach US\$ 26.48 billion. The rise in demand from end-user industries such as food processing, personal care and home care led to rise in demand for speciality chemicals. The higher demand backed by higher realization due to high price of chemicals.

### OUTLOOK

According to estimates, the Indian economy is expected to grow at 11% subject to normalization of activities. With the increase in global demand, India's specialty chemicals companies are expanding their capacities to cater to rising demand from domestic and overseas. The Chemical Industry has been modernizing through new molecules, innovations in technology, product profile, and quality to emerge as a modern World class Chemical industry ready to take on global competition.

### POTENTIAL PITFALLS

- Resurgence of Covid-19 infections and impending waves of Covid-19
- Geo political situation across the European Countries and resulting negative effects
- Economic Crisis in few countries
- Rising fuel prices across the world
- Inflation and Recession like situation predicted in few countries
- There are no direct substitutes for a specific chemical requirement.

### PRODUCT PERFORMANCE

The company has sold 973 MT of finished products during 2021-22 as against 1189 MT in the previous year. The Company sold sodium derivatives, pyridine derivatives and fine chemicals. There has been a continuous effort to develop new products and commercialize the same on campaign basis.

### 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. Also, 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

### **OPERATIONAL PERFORMANCE**

- The Company made a comprehensive profit of ₹ 352.78 lakhs
- The Company made a profit before tax of ₹ 518.44 lakhs, after the Annual IND AS adjustments, the Company made a Net Profit of ₹ 352.78 lakhs
- The high value Campaign products developed in the previous year continued in the turnover of this year also
- The exports contributed to 63% of the total turnover as compared to 50% for the previous year.
- The net foreign exchange earnings of ₹ 3,833.61 Lakhs for the year were the highest as on date
- The book value per share stands at ₹ 51.15 as on March 31, 2022 (₹ 48.48 for previous year).

### **HUMAN RESOURCE DEVELOPMENT**

The management believes that competent and committed human resources are important to attain success in the organisation. The Company believes in creating a pool of talent within its people whose skills, expertise and experience provide the impetus towards market leadership. 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.

The Management understand that the battle with Covid 19 is still on, thereby it has helped many of the eligible employees to get the vaccination and booster dose. Furthermore, timely and full payment of salaries has been ensured.

### **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.

For and on behalf of Board of Directors  
**For Alkali Metals Limited**

Place : Hyderabad  
Date : May 24, 2022

**Y.S.R. Venkata Rao**  
Managing Director  
DIN: 00345524

**Dr. J.S. Yadav**  
Chairman  
DIN: 02014136





## REPORT ON CORPORATE GOVERNANCE

Report Pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the requirements of Corporate Governance is set out below:

### **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's approach to Corporate Governance and the role it plays goes well beyond meeting our compliance obligations. The Company strives to be transparent, ethical and maintain high level of integrity in the conduct of its business and also in its interactions with stakeholders, including shareholders, employees, customers, suppliers and statutory authorities.

The Company follows all the principles of Corporate Governance in its true spirit and at all times.

### **1. BOARD OF DIRECTORS**

#### **Composition**

The Board is committed to the highest standards of ethics and integrity. The Directors abide by the 'Code of Conduct'. It consists of six Directors as on March 31, 2022 of which;

- one is Managing Director
- three are Non-Executive Independent Directors and one amongst them is the Chairman of the Board and
- two Non Executive and Non Independent Directors of which one is a Woman Director

The Managing Director is involved in the day-to-day affairs of the Company.

Our Board brings together a wealth of knowledge, perspective, professionalism, divergent thinking and experience. Our members have a good understanding of governance, technical, financial and non-financial issues. Stated below is the specific area of focus of the individual Board Members.

- i. Dr. J.S. Yadav, Independent Director and Chairman of the Company, is expert in the field of Organic and Inorganic chemistry, R&D and Administration.
- ii. Sri. Y.S.R. Venkata Rao, Managing Director of the Company, has played pivotal role in the growth of the Company and possesses the expertise in Manufacturing, Pharmaceutical Sector, Marketing, Finance, Business Strategies Administration and Leadership.
- iii. Sri. G. Jayaraman Independent Director of the Company, is multi-faceted and has about 40 years of experience across information technology, textiles, cement and pharmaceutical Industries in Finance, Accounts, Secretarial, Legal and Administration functions.
- iv. Sri. K.V. Surya Prakash Rao, Independent Director of the Company, has around 38 years of experience in the field of promoting Research & Development, Academia and Administration.
- v. Mrs Y.V. Lalithya Poorna, Woman Director from Promoters of the Company, has experience in Chemical and Pharmaceutical sector
- vi. Dr A.R. Prasad, Non Independent and Non Promoter Director of the Company, holds a Ph.D in Organic Chemistry and has an experience of more than 40 years in Manufacturing Process and Development of new products.



All Independent Directors possess the requisite qualifications and are experienced in their respective fields. The Board also confirms that the Independent Directors fulfill the criteria specified in the regulations and are independent of the management. The Independent Directors are appointed for a period of five years and the Managing Director is not liable to retire by rotation. The other Non Independent Directors are subject to retire by rotation.

All the necessary disclosures have been obtained from all the directors including their other directorships and have also been taken on record by the Board.

### Number of Board Meetings:

During the year (April 1, 2021 to March 31, 2022) the Board met four times i.e. on June 10, 2021, August 4, 2021, October 30, 2021 and February 8, 2022 wherein the gap between two consecutive board meetings was 120 days or less than 120 days in all cases.

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 August 21, 2021
					Chairman	Member	
i.	Dr. J.S. Yadav	Chairman & Independent Director	4	2	0	0	No
ii.	Sri. G. Jayaraman	Independent Director	4	2	0	0	Yes
iii.	Sri. Y.S.R. Venkata Rao	Managing Director	4	2	0	0	Yes
iv.	Sri. K.V. Suryaprakash Rao	Independent Director	4	0	0	0	Yes
v.	Smt. Y. Lalithya Poorna	Non-Independent & Non-Executive Director	2	3	0	0	Yes
vi.	Dr. A.R. Prasad	Non-Independent & Non-Executive Director	4	1	0	0	Yes

### Notes:

- Other Directorships exclude foreign companies
- Sri Y.S.R. Venkata Rao is the Promoter of the Company holding 69,04,715 shares in the Company.
- Smt Y. Lalithya Poorna, daughter of Managing Director, is a Non Executive Woman Director and holds 1,10,000 shares in the company.
- Dr. A.R. Prasad's appointment was regularized at the 53<sup>rd</sup> AGM held on August 21, 2021
- The existing Directors are holding directorship in this listed entity only.

**INDEPENDENT DIRECTOR DATA BANK REGISTRATION**

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all the Independent Directors have completed the registration with the Independent Directors Databank and renewed their registration. Requisite disclosures have been received from the directors in this regard. Sri K. V. Suryaprakash Rao, had cleared the mandatory assessment during the year under review.

**2. COMMITTEES OF THE BOARD****i. AUDIT COMMITTEE**

The Audit Committee (AC) of the Board is headed by Sri G. Jayaraman, Independent Director. The other members of the Committee are Dr. J.S. Yadav and Sri K.V. Suryaprakash Rao. All the members of the Audit Committee are financially literate. The Composition of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee assists the Board in the dissemination of financial information and in overseeing the accounting processes followed by the Company. The terms of reference of the audit committee covers all matters specified in SEBI (LODR) Regulation 2015 and also those specified in section 177 of the Companies Act, 2013. The terms of reference broadly include review of internal audit report, statutory audit report, 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, compliance with legal and statutory requirements, the quarterly and annual financial statements and related party transactions and reports its findings to the Board. The committee also recommends the appointment of auditors and also matters which are specifically referred to it by the Board. It also reviews major accounting policies followed by the Company.

The Chairman of the Audit Committee was present at the Annual General Meeting of the company held on August 21, 2021.

During the year, the Audit Committee met 4 (Four) times on June 9, 2021, August 3, 2021, October 29, 2021 and February 7, 2022 and the attendance of members is as follows:

S. No.	Name of the Member	Category	No. of Meetings Attended
a.	Sri. G. Jayaraman	Independent Director	4
b.	Dr J.S. Yadav	Independent Director	4
c.	Sri. K.V. Suryaprakash Rao	Independent Director	4

**ii. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee (NRC) is headed by Sri K.V. Prakash Rao, Independent Director. The other members of the Committee are Dr. J.S. Yadav and Sri G. Jayaraman. During the year under review, Dr. A.R. Prasad was also appointed as a member in the NRC.

The NRC has reviewed and evaluated the performance evaluation criteria for Board and its Committees and Directors including Independent Directors as per SEBI Circular dated January 5, 2017. Further, the NRC recommends appointment/ reappointment of directors, employee's 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 person's track record, his/ her potential individual performance, the market trends and scales prevailing in the similar industry.



During the year, the NRC had met two times on June 10, 2021 and August 4, 2021 and the attendance of members is as follows:

S. No.	Name of the Member	Category	No. of Meetings Attended
a.	Sri. K.V. Suryaprakash Rao	Independent Director	2
b.	Sri. G. Jayaraman	Independent Director	2
c.	Dr J.S. Yadav	Independent Director	2
d.	Dr. A.R. Prasad (Appointed w.e.f August 4, 2021)	Non-Executive Non-Independent Director	NA

### **Nomination and Remuneration policy**

The objectives of the Policy

- i. 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.
- ii. 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.
- iii. To carry out evaluation of the performance of Directors.
- iv. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- v. Any other matter as the Board may decide from time to time.

### **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

- Leadership & Stewardship Abilities
- Contributing to Corporate objectives & Plans
- Communication of expectations & concerns clearly with subordinates
- Adherence to ethical standards & code of conduct of the Company relevant
- Team work attributes, supervising & training staff members
- Compliance with policies, reporting of frauds, violation, etc.
- Disclosure of interest
- Regular monitoring of corporate results against projections
- Identify, monitor & mitigate significant corporate risks
- Assess policies, structures & procedures
- Direct, monitoring & evaluation of KMP and senior officials
- Reviewing Management's succession plan
- Effective and constructive participation in meetings
- Assuring appropriate board size, composition, independence, structure
- Clearly defining roles & monitoring activities of committees

**iii. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee (SRC) is headed by Sri G. Jayarman. The other members of the Committee are Sri Y.S.R. Venkata Rao, Dr. J.S. Yadav and Sri K.V. Suryaprakash Rao.

The SRC periodically reviews the function and performance of Registrar and Share Transfer Agent. It also reviews the Investor Grievance mechanism. The requests for approving share transfer, transmissions, issue of duplicate share certificates, re-materialisation of shares and other specific requests from shareholders including grievances if any are overseen by SRC.

The Company had received requests for revalidation of dividend warrants and for physical copies of the Annual Report. The requests were attended accordingly. Furthermore, the Company is registered under the SCORES SEBI Complaints Redress System (SCORES) (vide Circular Ref: CIR/OIAE/2/2011 dated June 3, 2011) which is a web based platform to help investors to lodge their complaints if any. All complaints received by SEBI against listed companies are dealt through SCORES. There were no complaints received on the said platform against the Company. Mr. Siddharth Dubey is the Compliance Officer

During the financial year Company received IEPF5 for claiming the shares transferred to IEPF authorities, as the shareholder has not sent all the required documents, Company rejected the application within the time frame and informed the shareholder, to submit all the relevant documents within time frame to process at our end.

During the year under review, SRC met one time February 8, 2022 and the attendance of members is as follows:

S. No.	Name of the Member	Category	No. of Meetings Attended
a.	Sri. G. Jayaraman	Independent Director	1
b.	Sri. Y.S.R. Venkata Rao	Managing Director	1
c.	Dr. J.S. Yadav	Independent Director	1
d.	Sri. K.V. Suryaprakash Rao	Independent Director	1

**3. MEETING OF INDEPENDENT DIRECTORS:**

As per the Schedule IV of the Companies Act 2013 and the Rule thereunder, the Independent Directors of the Company had met once during the year without the attendance of Non-Independent Directors and members of the Management. They had reviewed the performance of the Board and discussed other important matters.

**4. REMUNERATION PAID TO DIRECTORS**

The remuneration payable to the directors is determined by the Board on the recommendation of the nomination and 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 during the financial year 2021-22****(All figures in ₹ Lakhs)**

S. No.	Name of the Director	Commission/ Consultancy	Remuneration	Sitting Fee	Total
1)	Dr. J.S. Yadav	--	--	3.30	3.30
2)	Sri. G. Jayaraman	--	--	3.30	3.30
3)	Sri. Y.S.R. Venkata Rao	26.19	78.60	--	104.79
4)	Smt. Y. Lalithya Poorna	--	--	1.00	1.00
5)	Sri. K.V. Surayaprakash Rao	--	--	3.30	3.30
6)	Dr. A.R. Prasad	10.00	--	2.00	12.00

**5. ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETING**

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

Annual General Meetings of the Company:

Year	Location	Date	Time
2018-19	Plot B-5, IDA, Uppal, Hyderabad – 500 039	August 3, 2019	12:00 Noon.
2019-20	Through VC hosted at Plot B-5, IDA, Uppal, Hyderabad – 500039	September 26, 2020	12:00 Noon.
2020-21	Through VC hosted at Plot B-5, IDA, Uppal, Hyderabad – 500039	August 21, 2021	11:00 A.M.

- i. No Extra-Ordinary General Meeting of the shareholders was held during the year.
- ii. 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.
- iii. Special Resolutions passed during the previous three Annual General Meetings:
  - a. 51<sup>st</sup> Annual General Meeting – August 3, 2019 Special Resolutions passed for the Re-appointment of Dr. J.S. Yadav and Sri G. Jayaraman, Non-Executive Independent Directors of the Company for a further period of 5 Years w.e.f August 21, 2019.
  - b. 52<sup>nd</sup> Annual General Meeting – September 26, 2020 Special Resolutions passed for the Re-appointment of Sri Y.S.R. Venkata Rao as a Managing Director w.e.f May 1, 2021.
  - c. 53<sup>rd</sup> Annual General Meeting – August 21, 2021- No Special Resolution passed.
- iv. E-Voting/ Poll:
 

E-Voting is conducted for all the business items covered in the above 3 Annual General Meetings in Compliance with the Listing Agreement. CS B. Venkatesh Babu was appointed scrutinizer in all the meetings.

**DISCLOSURES****6. SUBSIDIARY COMPANIES**

The Company has no subsidiary company.

**7. RISK MANAGEMENT**

Periodic assessments to identify the risk areas are carried out to enable the Company to control risk through a properly defined plan. The Internal Auditor also reviews the possible risks and advises the Management. 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.

**8. WHISTLE BLOWER POLICY**

The company has an established mechanism for Directors / Employees to report concerns about unethical behavior, 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 have 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.

**9. 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 Related Party Transactions at arm’s length are given in the Board’s Report and Notes to accounts.

**10. ACCOUNTING TREATMENT**

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

**11. COMPLIANCES**

During the period under review, there has been no instance of non-compliance by the Company on any matters related to the capital markets. The Stock Exchanges namely BSE and NSE had imposed fine on the Company for not having 6<sup>th</sup> Director during the part of the Financial Year 2020-21. The Company had made the application for the waiver of the fine and paid part of fine to BSE. The NSE had waived off the fine and the order from BSE is awaited.

**12. MEANS OF COMMUNICATION**

The Quarterly, Half Yearly and Annual financial 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 financial results are also placed on Company’s website i.e. [www.alkalimetals.com](http://www.alkalimetals.com) to access first-hand information about the financial information of the Company. Besides this as required under the SEBI (LODR) Regulations 2015 the said information is also sent to Stock Exchanges (BSE & NSE).

**13. 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](http://www.alkalimetals.com). The Board members and senior management personnel have affirmed compliance with the code of conduct for the financial year 2021-22.

**14. GENERAL SHAREHOLDER INFORMATION****i. Annual General Meeting**

<b>Date and time</b>	August 22, 2022
<b>Venue</b>	Through VC
<b>Book Closure Date</b>	August 16, 2022 to August 22, 2022 (both days inclusive)

**ii. Financial Year : April 1, 2022 to March 31, 2023**

Financial Calendar 2022 - 2023 (tentative)

First Quarter results (April - June) : On or before August 14, 2022

Second Quarter results (July – Sept) : On or before November 14, 2022

Third Quarter results (Oct – Dec) : On or before February 14, 2023

Annual Results audited (Audited) : On or before May 30, 2023



- iii. Particulars of Dividend for the year ended March 31, 2022 ₹ 2 per share as Final Dividend subject to approval of the shareholders at the ensuing AGM.
- iv. 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 2022-23 was duly paid to the above stock exchanges

a. Stock Market Data for the Financial Year 2021-22

(All figures in ₹)

Month	NSE			BSE		
	High	Low	Closing	High	Low	Closing
April' 2021	60.80	48.45	55.20	59.80	48.10	55.35
May' 2021	65.80	53.50	61.60	65.70	54.00	62.00
June' 2021	83.70	59.10	70.65	84.00	59.00	70.25
July' 2021	96.70	68.00	89.50	98.50	68.45	88.30
August' 2021	95.50	62.60	69.30	97.00	63.00	69.40
September' 2021	74.95	63.95	72.00	76.50	64.25	71.30
October' 2021	111.70	72.25	85.50	111.10	72.00	85.30
November' 2021	98.30	82.00	89.30	100.80	80.10	90.00
December' 2021	97.00	80.55	91.50	96.70	81.65	91.15
January' 2022	144.00	89.20	111.50	150.35	89.65	110.4
February' 2022	123.90	79.05	81.30	123.00	77.70	80.95
March' 2022	85.70	73.10	79.30	85.00	74.00	78.20

b. Shareholding Pattern as on March 31, 2022

Category	No. of shares held	% of holdings
Indian Promoters including persons acting in concert	70,85,842	69.59
Bodies corporate	1,37,599	1.35
Clearing Members	25,568	0.25
IEPF	16,342	0.16
Resident Indians	26,18,164	25.71
Non-Resident Indians	42,186	0.42
Hindu undivided families	2,01,050	1.97
Foreign Portfolio Investors	55,755	0.55
<b>Total</b>	<b>1,01,82,506</b>	<b>100.00</b>





## c. Distribution of Shareholding as on March 31, 2022

Holding (in ₹)	Number of Shareholders	% of Total Number	Value of Shares (₹)	% of Total Value
between 10 and 5000	12,175	92.9887	1,07,24,490	10.5323
between 5001 and 10000	483	3.6889	39,09,150	3.8390
between 10001 and 20000	229	1.7490	34,72,260	3.4100
between 20001 and 30000	74	0.5652	18,75,290	1.8417
between 30001 and 40000	27	0.2063	9,45,600	0.9287
between 40001 and 50000	33	0.2520	15,69,500	1.5414
between 50001 and 100000	43	0.3284	30,43,370	2.9889
between 100001 and Above	29	0.2215	7,62,85,400	74.9180
<b>Total</b>	<b>13,093</b>	<b>100.0000</b>	<b>10,18,25,060</b>	<b>100.0000</b>

**Note:** We have not clubbed the number of members having common pan.

## d. Registrar and Share Transfer Agents

Cameo Corporate Services Limited  
Subramanian Building, No.1, Club House Road  
Chennai-600 002,  
044-28460390/948  
044-28460129  
cameo@cameoindia.com

Contact Person : Mr. Murali

## e. 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.

## f. Reconciliation of Share Capital Audit

A quarterly audit was conducted by a practicing 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.

## g. Information in respect of transfer of shares to IEPF and 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 and also during the financial year 2017-18 MCA notified IEPF rules for enabling the transfer of underlying shares of unclaimed/unpaid dividend for seven years to IEPF account. The Company transferred the unpaid dividend till 2012-13 to IEPF and there is no Dividend was declared for 2013-14 and 2014-15. With regard to transfer of unclaimed / underlying shares to IEPF Account, the procedure was followed by issuing individual notices and paper advertisement. The Voting rights of these shares will remain frozen till the rightful owner of such shares claim the shares.



The unclaimed dividend as on March 31, 2022 with due date of transfer to IEPF is as follows:

Financial Year	Date of declaration	Date of transfer to IEPF
2015-16 (interim dividend)	January 23, 2016	February 22, 2023
2015 -16 (final dividend)	July 30, 2016	September 29, 2023
2016-17	August 4, 2017	September 3, 2024
2017-18	June 30, 2018	July 29, 2025
2018-19	August 3, 2019	September 2, 2026
2019-20 (interim dividend)	January 29, 2020	February 28, 2027
2020-21 (final dividend)	August 21, 2021	September 20, 2028

Shareholders are requested to claim the unpaid dividend if any immediately to avoid transfer to IEPF authorities along with under laying shares pertains to respective years as above.

h. 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, Medchal District - 500043.

Unit-III : J.N. Pharma City, Parwada, Visakhapatnam – 531019.

i. Address for correspondence:

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

15. The related party transactions and Auditor remuneration details are provided in the Notes to financial statements which will form part of the Annual Report.

16. **NON-MANDATORY DISCLOSURES**

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

- i. Company had appointed separate persons to the positions of Chairman and Managing Director.
- ii. The Internal Auditor (Independent firm of Chartered Accountants) of the company directly report 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 March 31, 2022.

Place : Hyderabad  
Date : May 24, 2022

**Y.S.R. Venkata Rao**  
Managing Director  
DIN: 00345524

**CERTIFICATION BY MANAGING DIRECTOR (MD) AND THE CHIEF FINANCIAL OFFICER (CFO) TO THE BOARD**

To

**The Board of Directors**

Alkali Metals Limited

We Y.S.R.Venkata Rao, Managing Director and K.Uma Kumari, Chief Financial Officer of the Company hereby certify to the Board that:

1. We have reviewed the financial statements and cash flow statement for the financial year ended March 31, 2022 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards (IndAs), applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2022 are fraudulent, illegal or violative of the Company's code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps have been taken or proposed to be taken to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee
  - i. That there are no significant changes in internal control over financial reporting during the year;
  - ii. That there are no significant changes in Accounting Policies during the year; and
  - iii. That there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Hyderabad  
Date : May 24, 2022

**K. Uma Kumari**  
Chief Financial Officer

**Y.S.R. Venkata Rao**  
Managing Director  
DIN: 00345524

**INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To

**The Members of**

Alkali Metals Limited

1. We, G Nagendrasundram & CO, Chartered Accountants, the Statutory Auditors of Alkali Metals Limited (“the Company”), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“SEBI Listing Regulations”).

**Managements' Responsibility**

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

**Auditor's Responsibility**

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2022.

We 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 G. Nagendrasundram & Co**  
Chartered Accountants  
(FRN: 005355S)

**B.N. Bharathi**  
Partner

M.No. 236639

UDIN:22236639AJNCFW4431

Place : Hyderabad

Date : May 24, 2022



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
**The Members of**  
Alkali Metals Limited.,  
B-5, IDA, Uppal, Hyderabad

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Alkali Metals Limited having CIN L27109TG1968PLC001196 and having registered office at B-5, Block III, IDA, Uppal, Hyderabad – 500 039 (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the SEBI (LODR) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

S. No.	Name of Director	DIN	Date of appointment in Company
1.	Dr J.S. Yadav	02014136	31/03/2008
2.	Sri G. Jayaraman	01461157	07/07/2007
3.	Sri. K.V. Surya Prakash Rao	06934146	15/10/2018
4.	Sri Y.S.R. Venkata Rao	00345524	01/07/1991
5.	Mrs. Y. Lalithya Poorna	00345471	10/04/2010
6.	Dr. A.R. Prasad	08765436	10/02/2021

Ensuring the eligibility of, for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Hyderabad  
Date : May 24, 2022

SIGNATURE:

**NAME: B. Venkatesh Babu**  
FCS NO.: 6708, CP NO.: 5103  
Peer Review No. 1954/2022  
UDIN: F006708D000371556

**INDEPENDENT AUDITOR'S REPORT**

To,  
The Members of **Alkali Metals Limited.**,  
Report on the Audit of the Financial Statements

**Opinion**

We have audited the accompanying financial statements of ALKALI METALS LIMITED (“the Company”), which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its Profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

**Other Information**

The Company’s Board of Directors is responsible for the preparation of the other information. The other information obtained at the date of this auditor’s report comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report and Shareholder’s Information but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information



and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and,



based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 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-1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, based on our audit 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, the Statement of Profit and Loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid said financial statements comply with the Ind AS 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, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure -2".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that the remuneration paid by the Company to its directors during the year, in our opinion and to the best of our information and according to the explanations given to us, is in accordance with the provisions of section 197 of the Act."





- h. 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), 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 IndAS financial statements.
  - ii. In our opinion and as per the information and explanations provides 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.
  - iv.
    - a. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note.46.4 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b. The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note.46.4 to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
  - i. The dividend declared and paid during the year by the company is in compliance of Sec.123 of the Companies Act, 2013.

**For G. Nagendrasundram & Co**  
Chartered Accountants  
(FRN: 005355S)

**B.N. Bharathi**  
Partner

M.No. 236639

UDIN:22236639AJNCCMC1072

Place : Hyderabad  
Date : May 24, 2022

**ANNEXURE - 1 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)**

- 1.1.1. According to the information and explanations given to us, the Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- 1.1.2. According to the information and explanations given to us, the company is maintaining proper records showing full particulars of intangible assets.
- 1.2. According to the information and explanations given to us, all the Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- 1.3. The title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.
- 1.4. According to the information and explanations given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- 1.5. According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2.1 According to the information and explanations given to us, the inventories have been physically verified at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- 2.2 The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of accounts of the Company.
3. According to the information and explanations given to us, company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the matters to be reported under the sub-clauses (a), (b), (c), (d), (e) and (f) are not applicable to the company.
4. According to the information and explanations given to us, the Company has not granted any loans, has not made any investments, nor given any guarantee or security to parties covered under the provisions of Section 185 and 186 of the Companies Act.
5. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits, requiring compliance under the 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. According to the information given to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act and in our opinion, prima facie, such accounts and records have been so made and maintained. However, we have not carried out any detailed examination of such accounts and records.



- 7.1 According to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income tax, sales tax, service-tax duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
- According to the information and explanations given to us, 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, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of dispute.
8. According to the information and explanations given to us, there are no transactions that are not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the income Tax Act, 1961.
- 9.1 According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- 9.2 According to the information and explanations given to us, the company is not declared as a wilful defaulter by any bank or financial institution or other lender.
- 9.3 According to the information and explanations given to us, the term loans taken during the year were applied for the purpose for which loans were obtained.
- 9.4 According to the information and explanations given to us, the funds raised by the company on short-term basis have not been utilised for long-term purposes.
- 9.5 According to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- 9.6 According to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- 10.1 According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer, during the year under audit.
- 10.2 According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) during the year under review. Hence, compliances of reporting requirement under Section 42 and Section 62 of the Companies Act, 2013, whether the funds raised have been used for the purposes for which they were so raised, is not applicable to the Company.
- 11.1 According to the information and explanations given to us and based upon the audit procedures performed by us, any fraud by the Company or any fraud on the Company has not been noticed for reporting during the year.
- 11.2 According to the information and explanations given to us and based upon the audit procedures performed by us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the Auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- 11.3 According to the information and explanations given to us, the company has not received any whistleblower complaints during the year, and hence, considering the same by us does not arise.



12. As the Company is not a Nidhi Company under the provisions of the Companies Act, 2013 read with Nidhi Rules, 2014, the matters to be reported under sub-clauses (a), (b) and (c) of clause (xii) are not applicable to the Company.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with the provisions of Section 177 and 188 of the Companies Act wherever applicable. According to the information given to us, details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14.1 In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- 14.2 We have considered the reports of Internal Auditors for the period under audit.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence, reporting requirement on compliance with the provisions of Section 192 of the Companies Act is not applicable.
16. According to the information and explanations given to us and in our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. As the Company is not engaged in any non-banking financial or housing finance activity, nor is a Core Investment Company nor having more than one Core Investment Company as part of the Group, the matters to be reported under sub-clauses (b), (c) and (d) of clause (xvi) are not applicable to the Company.
17. The Company has not incurred cash losses during the financial covered by audit and in the immediately preceding financial year.
18. There is no resignation of the Statutory Auditors during the year.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and the management and in our opinion and based upon our examination of the evidence supporting the assumptions furnished to us, no material uncertainty exists as on the date of audit report that the company is capable of meeting its liabilities existing at the date of balance sheet date as and when they fall due within a period of one year from the balance sheet date.
20. According to the information and explanations given to us, the Company is not required to transfer any unspent amount to a Fund specified in Schedule VII to the Companies Act, as the provisions of Sec.135 does not apply for the F Y 2021-22.

**For G. Nagendrasundram & Co**  
Chartered Accountants  
(FRN: 005355S)

**B.N. Bharathi**  
Partner  
M.No. 236639

UDIN:22236639AJNCMC1072

Place : Hyderabad  
Date : May 24, 2022

**ANNEXURE – 2 TO THE INDEPENDENT AUDITOR’S REPORT:****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”):**

We have audited the internal financial controls over financial reporting of ALKALI METALS LIMITED (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that



1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For G. Nagendrasundram & Co**  
Chartered Accountants  
(FRN: 005355S)

**B.N. Bharathi**  
Partner  
M.No. 236639

UDIN:22236639AJNCMC1072

Place : Hyderabad  
Date : May 24, 2022

**BALANCE SHEET AS AT MARCH 31, 2022**

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
<b>I. ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
a. Property, Plant and Equipment	4	4,563.20	4,659.43
b. Right to Use Asset	5	63.84	-
c. Capital Work-in-progress	6	62.74	42.61
d. Intangible Assets	7	-	6.47
e. Financial Assets			
i. Other Financial Assets	8	80.58	78.72
f. Deferred Tax Assets	9	459.95	374.27
g. Other Non Current Assets	10	45.00	45.83
		5,275.31	5,207.32
<b>2. CURRENT ASSETS</b>			
a. Inventories	11	2,569.95	2,815.92
b. Financial Assets			
i. Trade Receivables	12	1,339.63	1,198.63
ii. Cash and Cash Equivalents	13	200.88	47.75
iii. Other Bank Balances	14	55.69	47.15
iv. Other Financial Asset	15	1.92	4.06
c. Other Current Assets	16	508.56	426.31
		4,676.62	4,539.81
<b>Total Assets</b>		9,951.93	9,747.14
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. EQUITY</b>			
a. Equity Share Capital	17	1,018.25	1,018.25
b. Other Equity	18	4,190.01	3,918.69
		5,208.26	4,936.95
<b>2. NON-CURRENT LIABILITIES</b>			
a. Financial Liabilities			
i. Borrowings	19	200.51	367.27
b. Provisions	20	25.38	15.12
c. Deferred Tax Liability (Net)	21	298.06	142.73
d. Other Non Current Liabilities	22	424.37	555.61
		948.33	1,080.73
<b>II. CURRENT LIABILITIES</b>			
a. Financial Liabilities			
i. Borrowings	23	1,516.73	1,794.55
ii. Lease Liabilities	24	63.62	-
iii. Trade Payables	25	2,022.36	1,830.50
iv. Other Financial Liabilities	26	16.55	35.10
b. Other Current Liabilities	27	80.78	27.35
c. Provisions	28	31.39	32.05
d. Current Tax Liabilities	29	63.90	9.91
		3,795.33	3,729.46
<b>Total Equity And Liabilities</b>		9,951.93	9,747.14

The accompanying notes form an integral part of this financial statements.

As per our Report attached  
For **G. Nagendrasundaram & Co**  
Chartered Accountants  
(FRN 005355S)

For and on Behalf of Board of Directors  
**Alkali Metals Limited**

**B.N. Bharathi**  
Partner  
M. No.236639

**Y.S.R. Venkata Rao**  
Managing Director  
DIN: 00345524

**Dr. J.S. Yadav**  
Chairman  
DIN: 02014136

Place : Hyderabad  
Dated: May 24, 2022

**K. Uma Kumari**  
Chief Financial Officer

**Siddharth Dubey**  
Company Secretary



**STATEMENT OF CHANGES IN EQUITY**

**i. Current Reporting Year Ended March 31, 2022**

(₹ in Lakhs)

Balance At the Beginning of reporting Period	Restated balance at the Beginning of the current Reporting Period	Changes in equity Share capital during the Current Year	Balance at the End of The Current Reporting Period
1,018.25	-	-	1,018.25

**ii. Previous Reporting Year Ended March 31, 2021**

(₹ in Lakhs)

Balance at the beginning of the previous reporting period	Restated balance at the Beginning of the Previous Reporting Period	Changes in equity Share capital during the Previous Year	Balance at the End of The Previous Reporting Period
1,018.25	-	-	1,018.25

**B. Other Equity**

**i. Current reporting Year**

(₹ in Lakhs)

Particulars	Reserves and Surplus						
	Securities Premium	General Reserves	Investment subsidy	Retained Earnings	Revaluation Surplus	Other items of Other Comprehensive Income (Specify Nature)	Total
Balance at the beginning of the current reporting period - April 1,2021	2,371.50	913.44	10.00	540.39	83.37	-	3,918.69
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of current reporting period	-	-	-	-	-	-	-
Total Comprehensive Income for the Current Year	-	-	-	352.78	-	-	352.78
Dividends	-	-	-	(81.46)	-	-	(81.46)
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change (to be Specified)	-	-	-	-	-	-	-
<b>Balance at the end of the current reporting period - March 31,2022</b>	<b>2,371.50</b>	<b>913.44</b>	<b>10.00</b>	<b>811.71</b>	<b>83.37</b>	<b>-</b>	<b>4,190.01</b>



**2. Previous Reporting Year**

(₹ in Lakhs)

Particulars	Reserves and Surplus						
	Securities Premium	General Reserves	Investment subsidy	Retained Earnings	Revaluation Surplus	Other items of Other Comprehensive Income (Specify Nature)	Total
Balance at the beginning of the previous reporting period - April 1,2020	2,371.50	913.44	10.00	632	83.37	-	4,010.22
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of previous reporting period	-	-	-	-	-	-	-
Total Comprehensive Income for the Previous Year	-	-	-	(91.53)	-	-	(91.53)
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change (to be Specified)	-	-	-	-	-	-	-
Balance at the end of the previous reporting period - March 31,2021	2,371.50	913.44	10.00	540.38	83.37	-	3,918.69

As per our Report attached  
For **G. Nagendrasundaram & Co**  
Chartered Accountants  
(FRN 005355S)

For and on Behalf of Board of Directors  
**Alkali Metals Limited**

**B.N. Bharathi**  
Partner  
M. No.236639

**Y.S.R. Venkata Rao**  
Managing Director  
DIN: 00345524

**Dr. J.S. Yadav**  
Chairman  
DIN: 02014136

Place : Hyderabad  
Dated: May 24, 2022

**K. Uma Kumari**  
Chief Financial Officer

**Siddharth Dubey**  
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022** (₹ in Lakhs)

Particulars	Note No.	Year ended 31.03.2022	Year ended 31.03.2021
<b>1. REVENUE</b>			
a. Revenue from Operations	30	9,101.59	5,537.70
b. Other Income	31	29.09	19.04
<b>Total Revenue</b>		<b>9,130.68</b>	<b>5,556.74</b>
<b>2. EXPENSES</b>			
a. Cost of Materials Consumed		3,751.57	2,382.18
b. Changes in Inventories of Finished Goods Work-in-Progress and Stock-in-Trade	32	93.50	(284.63)
c. Employee Benefits Expense	33	1,236.64	970.11
d. Finance Costs	34	263.13	254.17
e. Depreciation & Amortisation Expenses	35	385.87	334.87
f. Other Expenses	36	2,881.52	1,863.54
<b>Total Expenses</b>		<b>8,612.24</b>	<b>5,520.24</b>
<b>3. Profit for the year before exceptional items &amp; tax</b>		<b>518.44</b>	<b>36.50</b>
<b>4. Exceptional Items</b>	37	<b>15.03</b>	<b>14.47</b>
<b>5. Profit Before Tax</b>		<b>503.41</b>	<b>22.03</b>
<b>6. Tax Expense</b>			
a. Current Tax (MAT)		84.89	4.68
Less: MAT Credit Entitlement		(84.89)	(4.68)
b. Tax Pertaining to Earlier Years		-	-
c. Deferred Tax For The Year		155.33	142.73
<b>Total Tax Expenses</b>		<b>155.33</b>	<b>142.73</b>
<b>7. Profit / (Loss) for the year</b>		<b>348.08</b>	<b>(120.70)</b>
<b>8. Other Comprehensive Income (net)</b>			
Items that will not be reclassified to P&L a/c			
Remeasurement of defined benefit plan		4.70	29.17
Current Tax (MAT)		0.78	4.55
Less: MAT Credit Entitlement		(0.78)	(4.55)
		4.70	29.17
<b>9. Total Comprehensive Income / (Loss) for the year (7+8)</b>		<b>352.78</b>	<b>(91.53)</b>
<b>10. Earnings Per Share</b>			
Face Value ₹ 10/- per share			
i Basic		3.46	(0.90)
ii Diluted		3.46	(0.90)

The accompanying notes form an integral part of this financial statements.

As per our Report attached  
For **G. Nagendrasundaram & Co**  
Chartered Accountants  
(FRN 005355S)

For and on Behalf of Board of Directors  
**Alkali Metals Limited**

**B.N. Bharathi**  
Partner  
M. No.236639

**Y.S.R. Venkata Rao**  
Managing Director  
DIN: 00345524

**Dr. J.S. Yadav**  
Chairman  
DIN: 02014136

Place : Hyderabad  
Dated: May 24, 2022

**K. Uma Kumari**  
Chief Financial Officer

**Siddharth Dubey**  
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022**

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net Profit/(Loss) before tax and exceptional items		518.44		36.50
Exceptional items - income / (expenditure) *		(15.03)		(14.47)
Other comprehensive income (net)		4.70		29.17
<b>Total comprehensive income before tax</b>		<b>508.11</b>		<b>51.20</b>
Adjustments for				
Depreciation	340.27		328.41	
Amortisation of intangible assets	6.47		6.47	
Amortisation of Right to Use Assets	39.13			
Loss on sale of assets	7.83		-	
Profit on sale of Fixed Assets	(0.66)		(0.87)	
Assets written off	15.03		14.47	
Interest income	(1.97)		(4.09)	
Interest expense	263.13		254.17	
		<b>669.22</b>		<b>598.56</b>
<b>Operating profit before working capital changes</b>		<b>1,177.33</b>		<b>649.76</b>
(Increase)/decrease in sundry debtors	(141.01)		(561.47)	
(Increase)/decrease in inventories	245.97		(682.90)	
(Increase)/decrease in loans & advances	(173.50)		22.35	
Increase/(decrease) in current liabilities	(51.74)		746.62	
Increase/(decrease) in Provision	10.26		(17.82)	
(Increase)/decrease in Other Financial Assets	(1.86)		(19.51)	
		<b>(111.87)</b>		<b>(512.73)</b>
<b>Cash generated from operations</b>		<b>1,065.46</b>		<b>137.02</b>
Income tax paid net of refunds		53.99		(5.33)
Income tax adjustments		-		-
<b>Net cash flow from operating activities (A)</b>		<b>1,119.45</b>		<b>131.69</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Property, Plant and Equipment	(290.10)		(359.59)	
Sale proceeds of Property, Plant and Equipment	3.74		3.80	
Interest received	1.97		4.09	
<b>Net cash flow from investing activities (B)</b>		<b>(284.39)</b>		<b>(351.70)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Repayment/proceeds of long-term borrowings	(166.75)		167.18	
(Increase)/decrease in working capital borrowings	-		-	
Repayment of loans	(131.22)		94.07	
Repayment of Lease Rent	(33.76)		-	
Dividend payment	(87.07)		-	
Interest paid	(263.13)		(254.17)	
<b>Net cash flow used in financing activities (C)</b>		<b>(681.94)</b>		<b>7.09</b>
<b>Net Increase In Cash And Cash Equivalents (a+b+c)</b>		<b>153.12</b>		<b>(212.92)</b>
Cash and cash equivalents as at the beginning of the period		47.75		260.67
Cash and cash equivalents at end of the period		<b>200.88</b>		<b>47.75</b>
Cash and cash equivalents				
Cash on hand		3.43		5.62
Balances with banks in current account		<b>197.45</b>		<b>42.14</b>
<b>Total</b>		<b>200.88</b>		<b>47.75</b>

Notes to the cash flow statement for the year ended March 31, 2022

- This statement is prepared as per Ind AS-7 (Indirect method), whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows.
- Previous year's figures were re-grouped wherever necessary.

As per our Report attached  
For **G. Nagendrasundaram & Co**  
Chartered Accountants  
(FRN 005355S)

For and on Behalf of Board of Directors  
**Alkali Metals Limited**

**B.N. Bharathi**  
Partner  
M. No.236639

**Y.S.R. Venkata Rao**  
Managing Director  
DIN: 00345524

**Dr. J.S. Yadav**  
Chairman  
DIN: 02014136

Place : Hyderabad  
Dated: May 24, 2022

**K. Uma Kumari**  
Chief Financial Officer

**Siddharth Dubey**  
Company Secretary



## 1. COMPANY OVERVIEW

Alkali Metals Limited was established in 1968, at Hyderabad, Telangana, India, as a closely held company. It became a Public Listed company on November 6, 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 and API's 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.

## 2. BASIS OF PREPARATION AND MEASUREMENT

### i. Statement of Compliance

The financial statements for the year ended March 31, 2022 have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

### ii. Accounting Convention and Basis of Measurement

The financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- a. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
- b. Defined benefit and other long-term employee benefits.

### iii. Functional and Presentation Currency

The financial statements are presented in Indian rupees, which is the functional currency of the company and the currency of the primary economic environment in which the company operates. All financial information presented in Indian rupees has been rounded to the nearest lakhs except share and earnings per share data.

### iv. Use of Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period and the disclosure of contingent liabilities and assets. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions in respect of the following areas, that have most significant effect to the carrying amounts within the next financial year are included in the relevant notes.

- a. Useful lives of property, plant, equipment and intangibles
- b. Measurement of defined benefit obligations
- c. Measurement and likelihood of occurrence of provisions and contingencies



- d. Recognition of deferred tax assets/liabilities
- e. Impairment of intangibles
- f. Expenditure relating to research and development activities.

**v. Operating Cycle**

Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**i. Property Plant and Equipment**

- a. Property Plant and Equipment are measured at cost less accumulated depreciation and impairment losses.
- b. The cost of property, plant and equipment includes those incurred directly for the construction or acquisition of the asset, and directly attributable to bringing it to the location and condition necessary for it to be capable of operating in the manner intended by the management and includes the present value of expected cost for dismantling/ restoration wherever applicable.
- c. The Cost of major spares is recognised in the carrying amount of the item of property, plant and equipment in accordance with the recognition criteria set out in the standard. The carrying amount of the replaced part is derecognised at the time of actual replacement. The cost of the day-to-day servicing of the item are recognised in statement of profit and loss account.
- d. Depreciation on all fixed assets is provided under straight line method over the useful life of assets specified in Part C of Schedule II to the Companies Act, 2013 and manner specified therein. Assets costing less than ₹10,000 are fully depreciated in the year of purchase.
- e. Expenditure attributable / relating to PPE under construction / erection is accounted as below:
  - To the extent directly identifiable to any specific plant / unit, trail run expenditure net of revenue is included in the cost of property plant and equipment.
  - To the extent not directly identifiable to any specific plant / unit, is kept under “expenditure during construction” for allocation to property plant and equipment and is grouped under Capital work in progress.
  - Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets

**ii. Intangible Assets**

- a. Intangible asset is recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Expenditure incurred for creating infrastructure facilities where the ownership does not rest with the company and where the benefits from it accrue to the company over a future period is also considered as intangible asset.



- b. New product development expenditure, software licences, technical knowhow fee, infrastructure and logistic facilities etc., are recognised as intangible asset upon completion of development and commencement of commercial production.
- c. Intangible assets are amortised on straight line method over their technically estimated useful life.
- d. Residual values and useful lives for all intangible assets are reviewed at each reporting date. Changes if any are accounted for as changes in accounting estimates.

### iii. Impairment of Asset

#### a. Financial Assets

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments and are measured at amortised cost whether applicable for e.g. loans debt securities, deposits, and bank balances.
- Trade Receivables

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

#### b. Non – financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the company estimates the amount of impairment loss.

### iv. 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.

The factors that the Company considers in determining the provision for slow moving, obsolete and other non-saleable inventory include estimated shelf life, ageing of inventory and to the extent each of these factors impact the Company’s business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

### v. Foreign Currency Transactions

- a. Transactions relating to non-monetary items and purchase and sale of goods /services denominated in foreign currency are recorded at the exchange rate prevailing or a rate that approximates the actual rate on the date of transaction.
- b. Assets and liabilities in the nature of monetary items denominated in foreign currencies are translated and restated at prevailing exchange rates as at the end of the reporting period.



- c. Exchange differences arising on account of settlement / conversion of foreign currency monetary items are recognised as expense or income in the period in which they arise.
- d. Foreign currency gains and losses are reported on a net basis.

**vi. Revenue Recognition**

While recognizing the revenue under IndAS-115 in respect of Contracts which meet the defined criteria, due consideration has been given to identify all the performance obligations stated therein including transfer of goods or services as well as term of payment. The transaction price is allocated to each distinct and identifiable performance obligation and is also adjusted for the time value of money. In respect of goods, revenue is recognised on transfer of significant risks and rewards of the ownership including effective control of the buyer. In respect of all other services/performance obligations, revenue is recognised upon completion of such performance. The revenue so measured is stated net of trade discounts / rebated and other price allowances, wherever applicable. Other income including interest is recognised on accrual basis.

**vii. Government Grants:**

The incentives received on Exports/Imports of Goods are deducted from the respective expense head on receipt basis.

**viii. Employee Benefits****a. Short term Benefits**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The cost of the benefits like salaries, wages, medical, leave travel assistance, short term compensated absences, bonus, exgratia etc., is recognised as an expense in the period in which the employee renders the related service.

**b. Post-employment benefits****• Defined Contribution Plans**

The contribution paid /payable under provident fund scheme, ESI scheme, and employee pension scheme is recognised as expenditure in the period in which the employee renders the related service.

**• Defined Benefit Plans**

The company's obligation towards gratuity is a defined benefit plan. The present value of the estimated future cash flows of the obligation under such plan is determined based on actuarial valuation using the projected unit credit method. Any difference between the interest income on plan asset and the return actually achieved and any changes in the liabilities over the year due to changes in actuarial assumptions or experienced adjustments within the plan are recognised immediately in other comprehensive income and subsequently not reclassified to the statement of profit and loss.

All defined benefit plans obligations are determined based on valuation as at the end of the reporting period, made by independent actuary using the projected unit credit method. The classification of the company's net obligation into current and non-current is as per the actuarial valuation report.

**c. Long term Employee Benefits**

The obligation for long term employee benefits such as long-term compensated absences, is determined and recognised in the similar manner stated in the defined benefit plan.

**ix. Borrowing Cost**

- a. Borrowing costs incurred for obtaining assets which take substantial period to get ready for their intended use are capitalised to the respective assets wherever the costs are directly attributable to such assets and in other cases by applying weighted average cost of borrowings to the expenditure on such assets.
- b. Other borrowing costs are treated as expense for the year.
- c. Significant transaction costs in respect of long-term borrowings are amortised over the tenor of respective loans using effective interest method.

**x. Provision for Current and Deferred Tax****a. Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profits differ from the profit as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's current tax is calculated using tax rates that have been enacted or substantially enacted by the end of the reporting period. In the event of Tax computed as stated is less than the tax computed under section 115JB of the Income tax Act., 1961, provision for current tax will be made in accordance with such provisions.

**b. Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period to recover or settle the carrying amount of its assets and liabilities.

**c. Current and deferred Tax for the year**

Current and deferred tax are recognised in profit and loss, except when they relate to





items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

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. However it is ascertained and disclosed in the notes to financial statements.

**xi. 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

**xii. 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.

**xiii. Financial instruments (financial assets and financial liabilities):**

All financial instruments are recognized initially at fair value. The Classification of financial instruments depends on the objective of the business model for which it is held and the contractual cash flows that are solely payments of principal and interest on the principal outstanding. For the purpose of subsequent measurement, financial instruments of the Company are classified into a. non-derivate financial instruments and b. derivative financial instruments.

a. Non-derivative financial instruments:

- Security Deposits, cash and cash equivalents, other advances, trade receivables and eligible current and non-current financial assets are classified as financial assets under this clause.
- Loans and borrowings, trade and other payables including deposits collected from various parties and eligible current and non-current financial liabilities are classified as financial liabilities under this clause.
- Financial instruments are subsequently carried at amortized cost.
- Transaction costs that are attributable to the financial instruments recognized at amortized cost are included in the fair value of such instruments.

b. Derivative financial instruments:

- The policy in respect of Derivatives will be determined as and when required.

**xiv. Claims**

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

**xv. Leases:**

The Company's lease asset classes primarily consist of leases for land and building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

As a lessee, the Company determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.



(₹ in Lakhs)

**4. PROPERTY, PLANT AND EQUIPMENT**

S. No	Description	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
		As on 01.04.2021	Additions	Adjustments/deletions	As on 31.03.2022	As on 01.04.2021	For the period	Adjustments/deletions	As on 31.03.2022	As on 31.03.2021
i.	Land	692.30	-	-	692.30	-	-	-	692.30	692.30
ii.	Building	2,569.84	60.01	-	2,629.85	850.11	99.75	949.86	1,679.99	1,719.73
iii.	Plant & Equipment	4,158.43	50.14	166.55	4,042.02	2,222.38	185.36	2,256.53	1,785.49	1,936.04
iv.	Pollution Control Equipment	45.33	-	20.63	24.70	42.93	0.05	23.37	1.33	2.40
v.	Vehicles	49.47	-	16.51	32.96	29.35	3.19	16.86	16.10	20.12
vi.	Furniture & Fixture	67.56	-	6.85	60.71	36.46	5.54	35.50	25.22	31.10
vii.	Lab Equipment	123.39	114.48	66.55	171.32	77.05	8.35	22.19	149.14	46.33
viii.	Office Equipment	19.87	1.10	0.99	19.98	13.39	1.52	13.97	6.00	6.48
ix.	Computers	15.34	6.75	1.43	20.66	8.36	3.78	10.78	9.88	6.98
x.	R& D Equipment	981.34	-	75.22	906.12	797.84	31.15	757.53	148.59	183.50
xi.	R & D Lab Equipment	149.09	37.12	8.00	178.21	141.20	0.99	134.58	43.63	7.89
xii.	Safety Equipment	38.15	0.38	15.80	22.72	31.60	0.60	17.19	5.54	6.55
<b>Total</b>		8,910.10	269.98	378.51	8,801.56	4,250.67	340.27	4,238.36	4,563.20	4,659.43
<b>Carrying Value as of 31.03.2021</b>		8,673.61	531.66	295.16	8,910.10	4,200.02	328.41	4,250.67	4,659.43	4,473.58

**5. RIGHT TO USE ASSET**

Description	Gross Carrying Amount			Accumulated Amortization			Net Carrying amount	
	As on 01.04.2021	Additions	As on 31.03.2022	As on 01.04.2021	For the period	Adjustments/deletions	As on 31.03.2022	As on 31.03.2021
Right to Use Asset	-	102.97	102.97	-	39.13	-	39.13	-
Total	-	102.97	102.97	-	39.13	-	39.13	-
Carrying Value as of 31-03-2021	-	-	-	-	-	-	-	-


**6. CAPITAL WORK-IN-PROGRESS**

(₹ in Lakhs)

Description	As on 01.04.2021	Additions During the Year	Capitalized During the Year	As on 31.03.2022
Civil Works in Progress	-	73.59	60.01	13.59
Other Assets	42.61	216.51	209.97	49.16
Total	42.61	290.10	269.98	62.74
Carrying Value as of 31.03.2021	214.69	41.17	213.24	42.61

**DISCLOSURE:**
**6.1. CAPITAL WORK IN PROGRESS (CWIP) AGEING SCHEDULE**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	
Projects in progress	27.77	33.53	1.44	-	62.74
Projects Temporarily suspended	Nil	Nil	Nil	Nil	Nil

**7. INTANGIBLE ASSESTS**

Description	Gross Carrying Amount		Accumulated Amortization		Net Carrying amount	
	As on 01.04.2021	As on 31.03.2022	As on 01.04.2021	Adjustments/deletions	As on 31.03.2022	As on 31.03.2021
SAP Software Development	70.56	-	64.09	-	70.56	6.47
<b>Total</b>	<b>70.56</b>	<b>-</b>	<b>64.09</b>	<b>-</b>	<b>70.56</b>	<b>6.47</b>
Carrying Value as of 31-03-2021	70.56	-	57.62	-	64.09	12.94

**8. OTHER FINANCIAL ASSETS**

(₹ in Lakhs)

	31.03.2022	31.03.2021
Security Deposit	80.58	78.72
	80.58	78.72

**9. DEFERRED TAX ASSETS (NET)**

	31.03.2022	31.03.2021
MAT Credit Entitlement	459.95	374.27
	459.95	374.27

**10. OTHER NON CURRENT ASSETS**

	31.03.2022	31.03.2021
Prepaid Taxes	0.00	0.83
Capital Advances	45.00	45.00
	45.00	45.83

**Disclosure: The capital advances of ₹ 45 Lakhs Paid to Directors and is pending for Registration of the Asset.****11. INVENTORIES**

	31.03.2022	31.03.2021
<b>Valued at Cost or Net Realisable Value, whichever is lower (As Certified by Management)</b>		
Raw Materials	747.50	729.01
Work-in-progress	1,628.79	1,697.48
Finished Goods	51.10	75.91
Stores, spares, fuels and consumables	163.82	169.48
Stock in Transit(Raw-Material)	-	165.31
	2,591.22	2,837.19
Less Provision for Slow-Moving Inventory	(21.27)	(21.27)
	2,569.95	2,815.92

**12. TRADE RECEIVABLES**

	31.03.2022	31.03.2021
Considered good - Unsecured	1,339.63	1,198.63
	1,339.63	1,198.63

**Trade Receivable Ageing Schedule**

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	Total
Undisputed Trade receivables - considered good	1,339.63	-	-	-	1,339.63
Previous Year	1,198.63				1,198.63

**13. CASH AND CASH EQUIVALENTS**

	31.03.2022	31.03.2021
Balances with Banks EEFC Account	197.45	42.14
Cash on Hand	3.43	5.62
	200.88	47.75

**14. OTHER BANK BALANCES**

(₹ in Lakhs)

	31.03.2022	31.03.2021
Margin Money Deposit in Banks	50.08	42.10
Unpaid Dividend Accounts	5.61	5.05
	55.69	47.15

**15. OTHERS FINANCIAL ASSET**

	31.03.2022	31.03.2021
Interest Receivable	1.92	4.06
	1.92	4.06

**16. OTHER CURRENT ASSETS**

	31.03.2022	31.03.2021
Balances With Revenue Authorities	436.23	348.00
Prepaid Expenses	57.47	67.56
Advances to Suppliers	8.67	7.97
Other Advances	6.18	2.78
	508.56	426.31

**17. SHARE CAPITAL**

	31.03.2022	31.03.2021
<b>Authorised Share Capital</b>		
1,50,00,000 Equity Shares of ₹ 10 Par Value	1,500.00	1,500.00
<b>Issued, Subscribed and Paid-up Capital</b>		
1,01,82,506 Equity Shares of ₹ 10 Par Value fully paid up	1,018.25	1,018.25
	1,018.25	1,018.25

**Disclosures:**

17.1 All the equity shares carry equal rights and obligations including for dividend and with respect to voting rights.

17.2. 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
i.	Sri. Y.S.R. Venkata Rao	69,04,715	69,04,715
	<b>% of Holding</b>	<b>67.81%</b>	<b>67.81%</b>

**17.3 Shareholding of Promoters****Shares held by promoters at the end of the year 31-03-2022**

S.No.	Promoter Name	No. of Shares	% of total Shares	% Change During the year
i.	Sri. Y.S.R. Venkata Rao	69,04,715	67.81	-
ii.	Smt. Y. Krishna Veni	28,994	0.28	-
iii.	Smt. Y. Lalithya Poorna	1,10,000	1.08	-
iv.	Sri. Y. Siva Rama Krishna Rao	41,500	0.41	-0.05
v.	M/s. CDC Industrial Infrass Limited	633	0.01	-
	<b>Total</b>	<b>70,85,842</b>	<b>69.59</b>	<b>-0.05</b>

**18. OTHER EQUITY**

(₹ in Lakhs)

	31.03.2022	31.03.2021
<b>i. Securities Premium</b>		
Balance at the beginning and at the end of the year	2,371.50	2,371.50
<b>ii. Revaluation Reserve on Land</b>		
Balance at the beginning and at the end of the year	83.37	83.37
<b>iii. Capital Reserve - Investment Subsidy</b>		
Balance at the beginning of the year	10.00	10.00
Add: Amount received during the year	-	-
Balance at the end of the year	2,464.87	2,464.87
<b>iv. General Reserve</b>		
Balance at the beginning of the year	913.44	913.44
Balance at the closing of the year	913.44	913.44
<b>v. Surplus</b>		
Balance of surplus in the statement of changes in Equity	811.71	540.39
Balance available for Appropriations	811.71	540.39
	<b>4,190.01</b>	<b>3,918.69</b>

**19. BORROWINGS**

	31.03.2022	31.03.2021
<b>i. Unsecured</b>		
Long Term Debt from Banks (Refer Note 19.1)	-	6.17
Deferred payment liability - Interest free sales tax loan (Refer Note 19.2)	53.48	52.05
<b>ii. Secured</b>		
Long term Debt from Bank (Refer Note 19.3)	147.04	309.05
	<b>200.51</b>	<b>367.27</b>

**Disclosures:****19.1 Unsecured Loans from Banks**

Particulars	Loan Amount Drawn (₹ in Lakhs)	No. of Installments Due	Rate of Interest P.A	Outstanding as on 31.03.2022 (₹ in Lakhs)
Standard Chartered Bank	75.00	-	17.00 %	-
HDFC Bank	10.50	7	8.10 %	<b>6.23</b>
HDFC Bank	10.50	4	8.10 %	<b>3.59</b>

**19.2 Deferred payment liability - Interest free sales tax loan**

The Company was sanctioned Interest Free Sales Tax Deferment of ₹ 345.86 lakhs under Target – 2000 Scheme by the Government of Andhra Pradesh vide final eligibility Certificate No. LR 4/2001/0878/0878/ID dt. July 24, 2001, for a period of 14 years starting from March 20, 1999 to March 19, 2013. The Company has availed itself of total Sales Tax Deferment of ₹ 269.79 Lakhs up to March 31, 2013 and the same is shown as



liability in the Balance Sheet. The repayment started from March, 2016 and the Company has made the payments as per the final eligibility certificate. An amount of ₹ 8.16 lakhs payable in the next financial year 2022-23 shown under the Other Financial Liabilities under Current Liabilities Pursuant to requirement under Ind AS 109 on financial instruments and in view of the option exercised under Ind AS 101 on first time adoption of Ind AS, un-winding of interest using effective interest rate was made and the deferred grant carved out, from the said loan, is being amortised in equal installments over the remaining repayment period of the IFST loan.

**19.3 Secured Loans from Banks**

(₹ in Lakhs)

Particulars	Loan Amount Drawn (₹ in Lakhs)	No. of Installments Due	Rate of Interest P.A	Outstanding as on 31.03.2022 (₹ in Lakhs)
State Bank India - CECL	180.00	3	6.95%	<b>29.92</b>
State Bank India - GECL	334.85	28	7.40%	<b>260.40</b>

**20. PROVISIONS**

	31.03.2022	31.03.2021
Provision for Employee Benefits Gratuity (Funded)	-	-
Provision for earned Leave Encashment (Non funded)	25.38	15.12
	<b>25.38</b>	15.12

**21. DEFERRED TAX LIABILITY**

	31.03.2022	31.03.2021
Deferred Tax Liability	298.06	142.73
	<b>298.06</b>	142.73

**Note: Refer to Note No.37.B****22. OTHER NON-CURRENT LIABILITIES**

	31.03.2022	31.03.2021
Deposit*	98.94	98.94
Deferred Govt. Grant (Note 19.2)	47.77	57.32
Other Advances**	177.34	319.00
Capital Creditors	71.29	67.75
Unpaid Interest to MSME Creditors	29.04	12.60
	<b>424.37</b>	555.61

**Disclosure:**

\* The above deposit is received from a customer of the Company in foreign currency and the same is adjustable against the supplies of the Company in future years.

\*\* Other Advances are inclusive of Security Deposits.



**23. BORROWINGS**

(₹ in Lakhs)

	<i>31.03.2022</i>	31.03.2021
i. Loans repayable on demand from Banks - Secured (Note 23.1) Cash Credit Facility	<i>887.41</i>	935.24
Export Packing Credit	<i>476.21</i>	640.77
ii. Current maturities of Long Term Debt from Bank - Secured (Note 19.3)	<i>143.29</i>	218.54
iii. Current maturities of Long Term Debt from Bank – Un secured (Note 19.1)	<i>9.82</i>	-
	<i>1,516.73</i>	1,794.55

**Disclosures:****23.1 -Terms and Conditions of Cash Credit**

i.	Period of maturity with reference to Balance Sheet date	<i>Renewable every year</i>	Renewable every year
ii.	Amount Outstanding	<i>887.41</i>	935.24
iii.	Rate of Interest	<i>Base Rate plus 5.60% P.A</i>	Base Rate plus 4.75% P.A
iv.	Overdue amount and period	<i>Nil</i>	Nil
v.	Security Working Capital Loan from Bank and interest accrued on the loan are secured by hypothecation of raw materials, work in progress, finished goods, stores and spares and book debts of the Company and a first charge on all Movable and immovable properties and personal guarantee of the Managing Director of the Company.		

**23.2 - Terms and Conditions of Export Packing Credit**

EPC limit of ₹ 1050 Lakhs is a sub limit to the Cash Credit limit of ₹ 1600 Lakhs.

i.	Amount Outstanding	<i>476.21</i>	640.77
ii.	Rate of Interest	<i>Base Rate plus 5.60% P.A</i>	Base Rate plus 4.75% P.A
iii.	Overdue amount and period	<i>Nil</i>	Nil
iv.	Security Working Capital Loan from Bank and interest accrued on the loan are secured by hypothecation of raw materials, work in progress, finished goods, stores and spares and book debts of the Company and a first charge on all Movable and immovable properties and personal guarantee of the Managing Director of the Company.		

**24. LEASE LIABILITIES**

	<i>31.03.2022</i>	31.03.2021
Lease Liability	<i>63.62</i>	-
	<i>63.62</i>	-

**25. TRADE PAYABLES**

(₹ in Lakhs)

	31.03.2022	31.03.2021
Total outstanding dues of:		
Micro enterprises & Small Enterprises (MSE)	70.79	75.16
Payables other than MSE	1,951.57	1,755.34
	2,022.36	1,830.50

**25.1 Details relating to micro enterprises and small enterprises**

MSE	31.03.2022	31.03.2021
I. Principal amount outstanding	70.79	75.16
ii. Interest outstanding at the beginning of the year	12.60	2.96
iii. Amount of interest paid	-	-
iv. Amount of interest due and payable for the period	16.44	9.64
v. Amount accrued and remaining unpaid at the end of the accounting year.	29.04	12.60

**Note:**

The information has been given in respect of those suppliers who have intimated the Company that they registered as micro and small enterprises. Some of the vendors who come under the MSMED Act 2006 have been associated with the Company for a long time and have a continuous Business Relationship. The company is usually prompt in servicing these vendor as per mutually Agreed Terms, In view of such longstanding relationship, no claims were received by the Company. The Company expects that there will be no claims in future also for interest.

**25.2 Trade Payable Ageing Schedule**

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	Total
(i) MSME	70.79	-	-	-	70.79
Previous Year	75.16	-	-	-	75.16
(ii) Others	1,931.66	19.91	-	-	1,951.57
Previous Year	1,750.74	4.60	-	-	1,755.34

**26. OTHER FINANCIAL LIABILITIES**

	31.03.2022	31.03.2021
Current Maturities of Deferred payment Liability - Interest free Sales Tax Loan (refer Note no.19.2)	8.16	29.51
Interest Accrued but not Due on Borrowings (Refer Note no.19.1)	2.78	0.53
Unpaid Dividends	5.61	5.05
	16.55	35.10

**27. OTHER CURRENT LIABILITIES**

	31.03.2022	31.03.2021
Statutory Dues Payable	79.20	17.43
Advance against Sales	1.58	9.93
	80.78	27.35

**28. PROVISIONS**

(₹ in Lakhs)

	31.03.2022	31.03.2021
Provision for earned Leave Encashment (Non funded)	2.94	2.65
Provision for Employee Benefits Gratuity (Funded)	28.45	29.40
	<b>31.39</b>	<b>32.05</b>

**29. CURRENT TAX LIABILITIES (NET)**

	31.03.2022	31.03.2021
Current tax Liabilities	63.90	9.91
	<b>63.90</b>	<b>9.91</b>

**30. REVENUE FROM OPERATIONS**

	31.03.2022	31.03.2021
Sale of Products	8,981.53	5,537.70
Other Operating Revenue	120.05	-
	<b>9,101.59</b>	<b>5,537.70</b>

**31. OTHER INCOME**

	31.03.2022	31.03.2021
i. Interest earned	1.97	4.09
ii. Other Non-operating Income		
a. Subsidy Received from State Government	-	4.54
b. Gain on Foreign Currency Translation and Transactions	15.24	-
c. Miscellaneous receipts	0.66	0.87
d. Deferred Government grant written back	9.55	9.55
e. Interest On Rent Deposit	1.67	-
	<b>29.09</b>	<b>19.04</b>

**32. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

	31.03.2022	31.03.2021
<b>Work in Progress</b>		
a. Opening Stock	1,773.39	1,488.76
b. Closing Stock	1,679.89	1,773.39
Decrease / (Increase)	93.50	(284.63)
Total Decrease / (Increase)	<b>93.50</b>	<b>(284.63)</b>

**33. EMPLOYEE BENEFITS EXPENSE**

	31.03.2022	31.03.2021
Salaries & Wages	1,180.56	904.97
Contribution to Provident and Other Funds	44.17	47.01
Staff Welfare Expenses	11.92	18.13
	<b>1,236.64</b>	<b>970.11</b>

**34. FINANCE COSTS**

(₹ in Lakhs)

	<i>31.03.2022</i>	31.03.2021
Interest	<i>242.92</i>	243.57
Interest on Income Tax	<i>5.16</i>	0.68
Other Borrowing Costs	<i>10.62</i>	9.92
Interest on Lease Liability	<i>4.44</i>	-
	<i>263.13</i>	254.17

**35. DEPRECIATION AND AMORTIZATION EXPENSE**

	<i>31.03.2022</i>	31.03.2021
Depreciation of Tangible Assets	<i>340.27</i>	328.41
Amortisation of Intangible Assets	<i>6.47</i>	6.47
Amortisation of Right to Use Asset	<i>39.13</i>	-
	<i>385.87</i>	334.87

**36. OTHER EXPENSES**

	<i>31.03.2022</i>	31.03.2021
Consumption of Stores and Spares	<i>443.64</i>	252.73
Provision for slow moving Inventory	-	7.11
Power & Fuel	<i>1,045.78</i>	649.52
Rent	<i>59.54</i>	34.11
Repairs to Buildings	<i>46.64</i>	24.20
Repairs to Machinery	<i>134.39</i>	169.44
Insurance	<i>34.26</i>	35.40
Production & Processing charges	<i>72.91</i>	60.99
Rates and Taxes	<i>42.64</i>	33.98
R & D	<i>141.79</i>	89.74
Freight on Sales	<i>483.96</i>	229.26
Penalties & Fines	-	13.20
Miscellaneous Expenses	<i>375.96</i>	263.86
	<i>2,881.52</i>	1,863.54

**37. EXCEPTIONAL ITEMS**

	<i>31.03.2022</i>	31.03.2021
Assets Write-off	<i>15.03</i>	14.47
	<i>15.03</i>	14.47

**38. DISCLOSURE AS PER SCHEDULE III OF THE ACT AND IND AS 37 ON PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:****A. Contingent Liabilities****Claim against the company not acknowledged as debts:**

(₹ in Lakhs)

Particulars	31.03.2022	31.03.2021
Customs Duty - Unfulfilled Export Obligation if any	170.07	244.63
Show cause notice received – GST Visakhapatnam (FY 2019 – 2020)	-	1.97
Bank Guarantees given	4.00	4.00

**B. Commitments**

Particulars	31.03.2022	31.03.2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	30.75	14.19

**39. DISCLOSURE AS PER IND AS 12 - INCOME TAX****A. Income tax assessments**

The company's income tax assessments were completed upto AY 2020- 2021.

**B. The tax effects of significant temporary differences that resulted in deferred income tax asset and liability are as follows**

Particulars	31.03.2022	31.03.2021
Difference in WDV of PPE and Intangible assets	(1,894.14)	(1,940.09)
Carried forward losses	684.94	1,327.86
Post-Employment Benefits	56.77	47.18
Other disallowances	81.04	52.05
Net Deferred Taxes Assets / (Liabilities)	(1,071.39)	(513.00)
Deferred Taxes Asset / (Liabilities) there on at applicable rates	(298.06)	(142.72)

**40. CONFIRMATION OF BALANCES**

The company had sent letters seeking confirmation of balances to various parties under trade payables, trade receivables, advance to suppliers and other advance from customers. Based on the confirmations received and upon proper review, corrective actions have been initiated and the amounts have been trued up, accounting adjustments have been made wherever found necessary.

**41. DISCLOSURES AS PRESCRIBED BY INDIAN ACCOUNTING STANDARD (INDAS)****41.1 DISCLOSURE AS PER INDAS 7**

Statement of reconciliation for changes in liabilities arising from financial activities

(₹ in Lakhs)

Particulars	Working capital borrowings	Interest free sales tax loan	Unsecured loans
Opening balance	1576.01	122.41	45.87
Borrowed during the year	-	-	21.00
Repaid during the year	(212.39)	(29.51)	(57.05)
Net movement	(212.39)	(29.51)	(57.05)
Closing balance	<b>1363.62</b>	<b>92.90</b>	<b>9.82</b>

**41.2. DISCLOSURE AS PER INDAS 19 - EMPLOYEE BENEFITS****A. Defined Contribution Plan**

Contribution to Defined Contribution Plan recognised as expenses for the year as under:

Particulars	2021-22	2020-21
Employer's Contribution to Provident Fund	28.47	29.43
Employer's Contribution to ESI	1.60	1.64

**B. Defined Benefit Plan****I. Gratuity obligation of the company**

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 recognised each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit to build up the final obligation. The obligation for leave encashment is recognised in the books as per Actuarial Valuation.

**Assets and Liability (Balance sheet position)**

Particulars	31.03.2022	31.03.2021
Present value of obligation	213.59	214.40
Fair value of plan assets	185.14	184.99
Net asset / (liability)	(28.45)	(29.40)

**Expense recognised during the period**

Particulars	31.03.2022
In Income statement (P&L a/c – expense provision)	14.07
In other comprehensive income (Balance sheet item)	(2.97)

**Changes in the present value of obligation**

(₹ in Lakhs)

Particulars	For the period ending	
	31.3.2022	31.3.2021
Present value of obligations as at the beginning	214.40	213.70
Interest cost	12.06	11.93
Current Service Cost	12.61	13.09
Past service cost – (Vested benefits)	-	-
Benefits Paid	(22.53)	(12.00)
Actuarial (Gain) / Loss on obligation	(2.94)	(12.32)
Present value of obligations as at the end	213.59	214.40
Bifurcation of net liability		
Current liability (Short Term)	42.33	49.06
Non-current liability (Long Term)	171.26	165.34
Net liability	28.45	29.40

**Changes in the fair value of plan assets**

Particulars	For the period ending	
	31.3.2022	31.3.2021
Fair value of plan assets as at the beginning	184.99	161.21
Adjustment to opening Fair value of plan asset	-	-
Return on plan assets excluding Interest Income	0.03	1.35
Contribution by Employer	12.05	25.32
Interest Income	10.59	9.11
Benefits Paid	(22.53)	(12.00)
Fair value of plan assets as at the end	185.14	184.99

**Expense recognised in the Income Statement**

Particulars	31.3.2022
Current Service Cost	12.60
Past Service Cost	-
Interest Cost	1.47
Expense recognised in the Income statement	14.07

**Other Comprehensive Income**

Particulars	31.3.2022
Actuarial (gains) / losses	-
Actuarial (gains) / losses on obligations	(2.94)
Actuarial (gains) / losses on plan assets	(0.03)
Total Other Comprehensive Income (OCI)	(2.97)

**II. Long Term compensated absences – Leave Encashment Assets and Liability (Balance sheet position)**

(₹ in Lakhs)

Particulars	31.3.2022	31.3.2021
Present value of obligation	17.78	21.24
Fair value of plan assets	-	-
Surplus / (deficit)	10.55	3.46
Net asset / (liability)	28.32	17.78

**Expense recognised during the period**

Particulars	31.3.2022
In Income statement (P&L a/c – expense provision)	12.28

**Changes in the present value of obligation**

Particulars	For the period ending	
	31.3.2022	31.3.2021
Present value of obligations as at the beginning	17.78	21.24
Interest cost	1.04	1.25
Current Service Cost	11.23	10.79
Benefits Paid	-	-
Actuarial (Gain) / Loss on obligation	(1.73)	(15.50)
Present value of obligations as at the end	28.32	17.78
Bifurcation of net liability		
Current liability (Short Term)	2.94	2.65
Non-current liability (Long Term)	25.38	15.12
Net liability	28.32	17.78

**Changes in the fair value of plan assets**

Particulars	For the period ending	
	31.3.2022	31.3.2021
Fair value of plan assets as at the beginning	-	-
Adjustment to opening Fair value of plan asset	-	-
Return on plan assets excluding Interest Income	-	-
Interest Income	-	-
Contribution by employer	-	-
Benefits Paid	-	-
Fair value of plan assets as at the end	-	-



**Expense recognised in the Income Statement**

(₹ in Lakhs)

Particulars	31.3.2022
Current Service Cost	11.23
Past Service Cost	-
Interest Cost	1.04
Expense recognised in the Income statement	12.28

**III. Actuarial assumptions**

Particulars	Gratuity (Funded) 2021-22	Leave Encashment (Non-funded) 2021-22	Gratuity (Funded) 2020-21	Leave Encashment (Non-funded) 2020-21
Mortality Table (LIC)	7.58%	6.78%	6.35%	6.35%
Discount rate (per annum)	3.00%	3.00%	3.00%	3.00%
Expected rate of return on plan assets (Per annum)	9.09%	7.73%	9.25%	7.82%
Rate of escalation in salary (per annum)	5.00%	5.00%	5.00%	5.00%

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.

**41.3. DISCLOSURE AS PER IND AS 21 – THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES UN-HEDGED FOREIGN CURRENCY EXPOSURE AT THE YEAR END**

Particulars	31.3.2022	31.3.2021
Trade payables	236.63	377.17
Trade receivables	1117.68	624.68



(₹ in Lakhs)

Particulars	31.3.2022	31.3.2021
a. Exchange differences arising out of settlement / translation on account of export sales for the year	9.04	8.53
b. Exchange differences arising out of settlement / translation on account of imports for the year	(2.25)	0.76
c. Exchange differences arising out of settlement / translation on account of others	8.45	11.77
Net gain / (loss) recognised during the year	15.24	(21.06)

**41.4 DISCLOSURE AS PER IND AS 33 - EARNING PER SHARE**

Particulars	31.3.2022	31.3.2021
Total No. of Shares	101.83	101.83
Profit after Taxes and exceptional items	353.01	(91.53)
Earning per share Basic & Diluted (₹10 per share)	3.47	(0.90)

**41.5. DISCLOSURE AS PER IND AS 108 - OPERATING SEGMENTS:**

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 Ind AS-108 issued by ICAI.

**A. SEGMENT REVENUE**

Geographical Location	31.3.2022		31.3.2021	
	₹ in Lakhs	%	₹ in Lakhs	%
Domestic	3,320.95	36.98	2,746.72	49.60
External	5,660.58	63.02	2,790.97	50.40
Total	8,981.53	100.00	5,537.69	100.00

**B. SEGMENT ASSETS (TRADE RECEIVABLES)**

Geographical Location	31.3.2022		31.3.2021	
	₹ in Lakhs	%	₹ in Lakhs	%
Domestic	221.96	83.43	573.94	47.88
External	1,117.68	16.57	624.68	52.12
Total	1,339.63	100.00	1,198.63	100.00

**C. OTHER DISCLOSURES**

Geographical Location	Carrying Amount of Segment Assets		Additions to Fixed Assets	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Unallocable Assets	8,860.64	9,113.22	269.98	531.66

**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**

**41.6 DISCLOSURE AS PER IND AS 24 - RELATED PARTY DISCLOSURES**

<b>Directors' interested Companies</b>	Asian Herbex Limited
	Zigna Analytics Private Limited
	CDC Industrial Infrass Limited
<b>Key Management Personnel</b>	
Sri Y.S.R. Venkata Rao	Managing Director
Ms. K. Uma Kumari	Chief Financial Officer
Mr. Siddharth Dubey	Company Secretary
<b>Non - Key Management Personnel</b>	
Dr. J. S. Yadav	Chairman & Independent Director
Sri G. Jayaraman	Independent Director
Sri K. V. Surya Prakash Rao	Independent Director
Ms. Y .Lalithya Poorna	Non-Executive Non-Independent Director
Dr. A.R. Prasad	Non-Executive and Non-Independent Director
Mr. Y.V.Prashanth	Relative of Managing Director
<b>Others</b>	
Dr. Y.V.S. Murty Charitable Trust	Charitable Trust in which the Managing Director is a trustee

**Disclosure of transactions with related parties**

(₹ in Lakhs)

S.No	Nature of Relationship	Nature of Transaction	Transactions during the year
i.	Directors' interested Companies	Rent	4.46
		Sales Commission	17.81
		Godown Rent	76.52
ii.	Key Managerial Personnel	Remuneration	103.93
		Commission on profits	26.19
		Rent	4.47
iii.	Non - Key Managerial Personnel	Rent	8.93
		Sitting Fees	12.90
		Professional Fee	10.00
iv.	Others	Donation	3.00

**42. FINANCIAL INSTRUMENTS****i. Capital management**

The Company manages its capital structure and makes adjustments to it, in light of changes in economic condition. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders. No changes were made in the objectives, policies and procedures in the past three years.

The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings, trade and other payables, other liabilities, less cash and cash equivalents. Capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders.

**ii. Financial instruments by category**

The carrying and fair value of financial instruments by categories of March 31, 2022 and March 31, 2021 were as follows

(₹ in Lakhs)

Particulars	31.03.2022			31.03.2021		
	Amortised Cost	Total carrying value	Total fair value	Amortised Cost	Total carrying value	Total fair values
<b>Assets</b>						
Cash and cash equivalents	200.88	200.88	200.88	47.75	47.75	47.75
Other bank balances	55.69	55.69	55.69	47.15	47.15	47.15
Trade receivables	1,339.63	1,339.63	1,339.63	1,198.63	1,198.63	1,198.63
Other financial assets	82.49	82.49	82.49	82.78	82.78	82.78
<b>Total</b>	<b>1,678.69</b>	<b>1,678.69</b>	<b>1,678.69</b>	<b>1,376.31</b>	<b>1,376.31</b>	<b>1,376.31</b>
<b>Liabilities</b>						
Trade payables	2,022.36	2,022.36	2,022.36	1,830.50	1,830.50	1,830.50
Borrowings	1,780.86	1,780.86	1,780.86	2,161.82	2,161.82	2,161.82
Other financial liabilities	16.55	16.55	16.55	35.10	35.10	35.10
<b>Total</b>	<b>3,819.77</b>	<b>3,819.77</b>	<b>3,819.77</b>	<b>4,027.42</b>	<b>4,027.42</b>	<b>4,027.42</b>

**iii. Financial risk management****Financial risk factors**

The company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include market risk, and liquidity risk. The management reviews and design policies and procedures to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company's exposure to credit risk is influenced mainly by the customer repayments. The Company's exposure to liquidity risks are on account of interest rate risk on borrowings. The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the management thereof.

**Market risk**

The Company operates internationally, and a portion of the business is transacted in foreign currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in those countries. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are affected as the rupee appreciates/depreciates against these currencies. The Company leaves exchange rate risk with regard to foreign exposures un-hedged when the local currency is appreciating against the foreign currency.



The following table analyses foreign currency risk from financial instruments:

Particulars	31.03.2022		31.03.2021	
	USD	Euro	USD	Euro
Trade receivables	14,69,122	-	5,99,225	-
Other financial assets	-	-	-	-
Trade payables	3,11,040	-	5,18,292	-
Other financial				
Liabilities	-	-	-	-
Net assets (liabilities)	11,58,082	-	80,933	-

### Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments when counter party defaults on its obligations. The Company's exposure to credit risk arises primarily from loans extended, security deposits, balances with bankers and trade and other receivables. The Company minimises credit risk by dealing exclusively with high credit rating counterparties. The Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Company trades only with recognised and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

### Credit risk exposure

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. No other financial assets carry a significant exposure to credit risk.

### Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has short term borrowings from banks. Short term loans repayable on demand from banks are obtained for the working capital requirements of the Company.

As of March 31, 2022, the Company had a working capital of ₹ 860 Lakhs including cash and cash equivalents of ₹ 201 Lakhs. As of March 31, 2021, the Company had a working capital of ₹ 730 Lakhs including cash and cash equivalents of ₹ 47.75 Lakhs.

As of March 31, 2022, and March 31, 2021, the outstanding gratuity were ₹ 213.59 Lakhs and ₹ 214.39 Lakhs, respectively, which have been substantially funded. Accordingly, no liquidity risk is perceived.

### Interest Rate risk

The interest rate risk is the risk that the fair value or the future cash flows of the company's financial instruments will fluctuate because of the change in market interest rates. The Company is exposed to interest rate risks as it has significant interest-bearing working capital loans from bank. Short term loans repayable on demand are subject to prevailing market rate fluctuations and sanctioned facilities are availed on a need to borrow basis to ensure minimum exposure to interest rate fluctuations.

**43. DIVIDEND**

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits. The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable withholding income taxes.

The amount of per share dividend recognized as distribution to equity shareholders in accordance with Companies Act 2013 is as follows:

Particulars	2021-22	2020-21
Interim Dividend	-	-
Final Dividend*	2.00	0.80

(₹)

(\*Subject to approval of Shareholders at the ensuing AGM)

**44. REMUNERATION TO AUDITOR (EXCLUDING GST)**

(₹ in Lakhs)

Particulars	2021-22	2020-21
Statutory Audit	5.50	5.50
Taxation Matters	1.10	1.10
Other Services	0.84	1.64

45. Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.

**46. REGULATORY INFORMATION****46.1 BORROWINGS SECURED AGAINST CURRENT ASSETS**

The Company files Monthly Stock Statements and Quarterly declaration to Bank regarding the End use of funds and Unhedged foreign currency and Investment declaration.

The data provided by company is in line with the books of accounts. The Company has not been declared as wilful defaulters as per the relevant RBI Circular.

**46.2 RELATIONSHIP WITH STRUCK OFF COMPANIES**

The Company has verified Debtors and Creditors Companies status with respect to being Struck Off and none of Companies status is showing as Struck off.


**46.3 RATIO'S - CURRENT PERIOD**

<b>Ratios</b>	<b>Ratios - Current Period</b>	<b>Numerator</b>	<b>Denominator</b>	<b>Current Period</b>	<b>Previous Period</b>	<b>% Variance</b>
(a) Current Ratio	Current Liabilities/ Current Assets	Current Assets	Current Liabilities	1.20	1.19	0.01
(b) Debt-Equity Ratio,	Total Outside Liabilities/ Shareholders Equity	Total Outside Liabilities	Shareholder's Equity	4.66	4.72	(0.06)
(c) Debt Service Coverage Ratio.	Earnings Available for Debt Services/ interest + instalments	Earnings Available for Debt Services/ interest + instalments	Debt Service	0.49	0.19	0.31
(d) Return on Equity Ratio	(Net profit after taxes- preference dividend(if any)/Networth or Equity shareholders funds	Net profit after taxes	Equity shareholders funds	0.35	(0.09)	0.44
(e) Inventory turnover ratio	Cost of goods Sold or Sales/Average inventory	Cost of goods Sold or Sales	Average inventory	3.38	2.24	1.14
(f) Trade Receivables turnover ratio	Credit sales/Average Trade Receivables	Sales	Average Trade Receivables	7.17	6.03	1.14
(g) Trade payables turnover ratio	Credit Purchases/Average Trade Payables	Purchases	Average Trade Payables	2.77	1.94	0.83
(h) Net capital turnover ratio	Sales or Cost of goods sold / Net Assets	Sales or Cost of goods sold	Working Capital/ Net Assets	10.33	6.83	3.49
(i) Net profit ratio	Net profit/Sales *100	Net profit	Sales	0.04	-0.02	0.06
(j) Return on Capital employed	Earnings Before interest and tax/capital employed *100	Earnings Before interest and tax	Capital employed	12.69	4.83	7.86

**46.4 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM**

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or, any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

As per our Report attached  
For **G. Nagendrasundaram & Co**  
Chartered Accountants  
(FRN 005355S)

For and on Behalf of Board of Directors  
**Alkali Metals Limited**

**B.N. Bharathi**  
Partner  
M. No.236639

**Y.S.R. Venkata Rao**  
Managing Director  
DIN: 00345524

**Dr. J.S. Yadav**  
Chairman  
DIN: 02014136

Place : Hyderabad  
Dated: May 24, 2022

**K. Uma Kumari**  
Chief Financial Officer

**Siddharth Dubey**  
Company Secretary





Regd Post

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AND EXPORT HOUSE**



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