



ALKALI METALS LIMITED

AN ISO 9001 & 14001, API COMPANY AND EXPORT HOUSE



ANNUAL REPORT

2019 - 2020



**BOARD OF DIRECTORS**

DR. YADAV J. S.	CHAIRMAN
SRI. JAYARAMAN G.	DIRECTOR
SRI. SURYAPRAKASH RAO K.V.	DIRECTOR
SRI. VENKATA RAO Y. S. R.	MANAGING DIRECTOR
SMT. LALITHYA POORNA Y.	DIRECTOR
MR. PRASHANTH Y.V.	DIRECTOR
MS. UMA KUMARI K.	CFO
MR. SIDDHARTH DUBEY	COMPANY SECRETARY

BANKERS

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

AUDITORS

M/s. G. Nagendrasundram & Co.
CHARTERED ACCOUNTANTS
Flat No. B-502, Pasha Court,
6-3-680, Somajiguda, Hyderabad - 500 082.

REGISTERED OFFICE & FACTORIES

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

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

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

REGISTRARS AND SHARE TRANSFER AGENTS

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

**NOTICE OF THE ANNUAL GENERAL MEETING**

Notice is hereby given that the 52nd Annual General Meeting of M/s. Alkali Metals Limited will be held on Saturday the 26th September, 2020 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 Balance Sheet as on 31st March, 2020 and the Statement of Profit & Loss for the financial year ended as on that date i.e financial statements and the reports of the Directors, Auditors thereon.
- 2) To elect a director in place of Mrs. Y.Lalithya Poorna (DIN: 00345471) who retires by rotation and is eligible for re-appointment.
- 3) To confirm Interim Dividend as final dividend for the financial year 2019-20.

SPECIAL BUSINESS

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

“RESOLVED THAT the consent of the members be and is hereby accorded to reappoint Sri. Y.S.R. Venkata Rao as Managing Director in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), for a further period of 3 years with effect from 01.05.2021 on the following remuneration:

Basic Pay	: ₹ 4,50,000/- per month
H.R.A	: ₹ 1,50,000/- per month
Commission	: 5% on profits (calculated as per Section 198 of Companies Act, 2013)
Medical benefit	: Medi-claim policy for ₹ 5,00,000/-
Insurance	: Accidental Insurance for ₹ 25,00,000/-
Leave Travel	: One month's basic pay per year which can be accumulated upto 2 years
Vehicle	: Company car with a driver for official use
Telephone & Email	: Free Cell and email service for official use
Gratuity	: Half month's basic pay for each completed Year of service

RESOLVED FURTHER THAT the Board be and is hereby authorized to provide an annual increment at the rate of 10% p.a. on such remuneration.

RESOLVED FURTHER THAT the above remuneration will be paid as the minimum remuneration and in any case if the amount exceeds the limits specified in Schedule V, Company may obtain the approval in compliance with the provisions of the Companies Act, 2013.”

By order of the Board
For Alkali Metals Limited

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

Place : Hyderabad
Date : 12th June, 2020

**NOTES**

- 1) The Statement Pursuant to Section 102 of the Companies Act, 2013 with respect to special business set out in the Notice is annexed.
- 2) As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5, 2020. 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 AGM through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
- 3) 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), and MCA Circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 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. The 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.
- 4) The Members can join the AGM in the VC/OAVM mode 30 minutes before and after 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 atleast 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.
- 5) 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.
- 6) 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.
- 7) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at 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 and 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.
- 8) The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 5, 2020.



- 9) 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.
- 10) The Register of members and transfer books of the company will remain closed from Monday the 21st September, 2020 to Saturday the 26th September, 2020 both days inclusive.
- 11) 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.
- 12) 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.
- 13) 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.
- 14) 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 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 2011-12 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 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.

- 15) 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.

- 16) 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 52nd 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 Wednesday the 23rd September, 2020 (09:00 A.M.) and ends on Friday the 25th September, 2020 (05:00 P.M). During this period shareholders of the Company, holding shares as on cut-off date of Saturday the 19th September, 2020 either in physical form or in dematerialized form, may cast their vote electronically. The e-voting portal shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company. A member who has cast his/ her vote by electronic means are 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:

- 17) The voting period begins on Wednesday the 23rd September, 2020 (09:00 A.M.) and ends on Friday the 25th September, 2020 (05:00 P.M). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Saturday the 19th September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 18) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- i) The shareholders should log on to the e-voting website www.evotingindia.com.
 - ii) Click on "Shareholders" module.
 - iii) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,



- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- iv) Next enter the Image Verification as displayed and Click on Login.
v) 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.
vi) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- vii) After entering these details appropriately, click on "SUBMIT" tab.
- viii) 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.
- ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xi) 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.

- xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiii) 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.
- xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvi) 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.
- xvii) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- 19) 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.
- 20) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- i. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- ii. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- iii. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. 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.

- v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in 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.
- vi. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- ii. 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.
- iii. 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.
- iv. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

Note for Non – Individual Shareholders and Custodians

- 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.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.



- 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; compliance.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.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th 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 on 022-23058542/43.

By order of the Board
For Alkali Metals Limited

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

Place : Hyderabad
Date : 12th June, 2020



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

Item No.4

Sri Y.S.R. Venkata Rao, Managing Director, would be attaining the age of 70 years in January 2021 and his office as a Managing Director is valid upto 30th April 2021. As per the provisions of the Section 196 of the Companies Act 2013, appointment of a person who has attained the age of 70 years is to be made by passing a special resolution at a General Meeting and also term of the Managing Director can be renewed one year in advance, therefore it is proposed to recommend his reappointment for the approval of the shareholders by way of Special Resolution at the ensuing annual general meeting .

Sri Y.S.R. Venkata Rao, is a technocrat and second generation entrepreneur, he holds B.E.(Mechanical) from Sri Venkateswara University, Andhra Pradesh, and Fellow member of the Institution of Engineers (India). He joined our Company in the year 1977 and since then, he has been playing a pivotal role in steering the growth of our Company from being a manufacturer of alkali metals to producer of sodium metal derivatives, cyclic compounds, fine chemicals, which find wide application in various industries, especially the pharmaceutical sector. Under the leadership of Sri. Y.S.R. Venkata Rao, Company Listed its securities in BSE and NSE. In his capacity as Managing Director of the Company, Sri Y. S. R. Venkata Rao takes care of operational, Financial and strategic initiatives of our Company. His technical expertise has earned him the 'Member of the Year Award' for the year 2002 from the All India Manufacturers' Association, Andhra Pradesh State Board and also various coveted posts in FAPCCI, PHARMEXCIL, BDMA and such other organizations.

Except the Proposed Director and Smt. Y. Lalithya Poorna none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the said resolution set out in Item no.4 of the accompanying notice of the AGM.

STATEMENT OF PARTICULARS AS PER SCHEDULE V:

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

I. GENERAL INFORMATION:

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

**4) Financial performance based on given indicators**

Particulars	2017-18	2018-19	2019-20
Sales & Other Income	66,72,99,063	71,95,37,988	71,41,58,375
Profit before finance charges, depreciation and taxation	7,35,76,511	7,81,60,649	7,24,29,167
Finance Charges	2,52,46,821	2,70,97,451	2,46,53,335
Depreciation	3,47,72,450	3,41,41,716	3,44,58,468
Profit/(Loss) before exceptional items and tax	1,35,57,240	1,69,21,482	1,33,17,365
Exceptional & Extraordinary items	4,84,751	0	21,53,943
Profit/(Loss) before Tax	1,30,72,489	1,69,21,482	1,11,63,422
Taxes including deferred tax and previous years	3,833	0	(13,85,430)
Net Profit	1,30,68,656	1,69,21,482	1,25,48,851
Other comprehensive income	(16,31,464)	18,83,389	(30,25,291)
Total Comprehensive Income	1,47,00,120	1,88,04,880	95,23,560

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

Particulars	2017-18	2018-19	2019-20
Earnings	25,63,91,046	28,67,68,050	31,84,27,849
Outgo	8,11,98,696	20,86,48,856	17,39,43,484

There is no foreign investment as well as collaboration by the Company.

II. INFORMATION ABOUT THE APPOINTEE:

	Sri. Y.S.R. Venkata Rao
1. Background details:	Sri. Y.S.R. Venkata Rao, B.E.(Mechanical). He joined the Company during 1977. He played a pivotal role in steering the growth of Alkali Metals from being a manufacturer of alkali metals to producer of sodium derivatives, cyclic compounds, fine chemicals, which find wide application in industries circle. His rich experience in the Industry and relation with the company will help to enhance the Growth of the Company.
2. Past remuneration:	₹ 81.67 Lakhs per annum
3. Recognition or awards	Member of the Year Award for the year 2002 from the All India Manufacturers' Association, Andhra Pradesh State Board He worked at various posts in FAPCCI, PHARMEXCIL, BDMA, VSEZ and such other Organisations
4. Job profile and his suitability:	Sri. Y.S.R. Venkat Rao, Managing Director of the Company. He looks after the production operations, R&D, Finance and other technical issues. He had rich experience which will help the Company in achieving its goals.
5. Remuneration proposed:	₹ 6,00,000 per month and other perks and commission as provided in the resolution



6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):	The remuneration offered to Sri Y.S.R. Venkata Rao is justifiable and comparable with the industry norms considering the nature of industry, size of the Company, profile and position of person.
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:	Sri Y.S.R. Venkata Rao is Second Generation Promoter of the Company. Promoters hold 70% in the Company.

III. OTHER INFORMATION:**(1) Reasons of loss or inadequate profits:**

Inadequate profits are mainly due to increase in overheads as well as global competition.

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

The Company is looking for options to commercialize few of the R&D Products In order to increase the turnover, however the unexpected Covid19 situation has created business disturbances. The Company is hoping to achieve better turnover in the coming years once the situation normalizes globally. Furthermore, the Company has been continuously trying to increase the contributions and margins by minimizing the overhead costs and reducing the process costs.

(3) Expected increase in productivity and profits in measurable terms:

The Management has adopted focused and aggressive steps to control the process costs and improve the turnover and profitability of the Company. The Management is confident of having a higher growth ratio in the period to come.

IV. Disclosures

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

By order of the Board
For Alkali Metals Limited

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

Place : Hyderabad
Date : 12th June, 2020

**BOARD'S REPORT**

To,
The Members,
Alkali Metals Limited

Your Directors have pleasure in presenting the 52nd Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31st March, 2020.

1. Financial Summary or Highlights/ Performance of the Company

The performance of the company for the financial year ended 31st March, 2020 is summarized as below:

(All figures in ₹)

Particulars	2019-20	2018-19
Turnover	70,84,58,245	71,55,62,262
Other Income	57,00,130	39,75,725
Total Revenue	71,41,58,375	71,95,37,988
Profit/(Loss) before finance charges, depreciation and taxation	7,24,29,167	7,81,60,649
Less : Finance Charges	2,46,53,335	2,70,97,451
Depreciation and Amortization expense	3,44,58,468	3,41,41,716
Profit/(Loss) before exceptional items and tax	1,33,17,365	1,69,21,482
Less : Exceptional items	21,53,943	0
Profit/(Loss) before tax	1,11,63,422	1,69,21,482
Less : Current Year's tax (MAT)	14,34,754	35,60,365
MAT Credit Entitlement	(14,34,754)	(35,60,365)
Previous Years	(13,85,430)	0
Profit/(Loss) After tax	1,25,48,851	1,69,21,482
Other Comprehensive Income (net)	(30,25,291)	18,83,398
Total Comprehensive income for the period	95,23,560	1,88,04,880

2. Impact of Covid-19

Unexpected global pandemic Covid-19 had a significant impact on the operations of the Company, the Detailed Impact of Covid-19 is provided in Annexure – 1, which forms part of the Director Report.

3. Dividend

During the year under review the Board of Directors had declared a Interim Dividend of ₹ 1 per equity share of ₹ 10 each at their meeting held on 29th January 2020 keeping in view the better performance for 3 quarters. It was duly paid within 30 days of the declaration. In view of the unexpected Covid-19 pandemic, Company's operations were affected during the last quarter of the financial year and with uncertainty prevailing over the near future, the Board is of the opinion that conserving of reserves is essential. Thereby, the Board is recommending that the Shareholders may confirm the Interim Dividend as the Final Dividend for the financial year 2019-20.

4. Reserves

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

**5. Brief description of the Company's performance during the year**

During the year 2019-20, the Company recorded a turnover of ₹ 7084 Lakhs and Net Profit of ₹ 95 Lakhs compared to the turnover of ₹ 7156 Lakhs and Net Profit of ₹ 188 Lakhs previous year 2018-19.

The Company was able to achieve a turnover of ₹ 5930 Lakhs turnover and net profit of ₹ 347 Lakhs upto December 2019, however the Quarter 4 of FY 2019-20 turned out to be less profitable for the Company due to the Covid-19 pandemic. The exports were very less and thereby the margins had come down significantly. Furthermore the exceptional items and year end provisions had an impact on the Company's profit.

6. Future outlook

Amid the Covid-19 pandemic, several countries across the world India resorted to lockdowns to "flatten the curve" of the infection. These lockdowns meant shutting down businesses and ceasing almost all economic activity. According to the International Monetary Fund (IMF), this was the steepest slowdown since the Great Depression of the 1930s. Your Company was no different and due to the lockdown, Quarter 1 till date performance was significantly impacted. The pandemic continues to have an overall impact on the business of the Company.

With no signs of the pandemic slowing down, the Management expects that the current situation is likely to continue for some time and there are likely hurdles in capacity utilization, logistics, material availability, finances, manpower and demand, etc.

The Management on its part continues to strictly adhere to the guidelines provided by the Government of India, Government of Telangana and Government of Andhra Pradesh in order to ensure the safety and well being of its employees.

The Management hopes that the economy aiding measures introduced by the Government could provide the much needed push and also hopes that the situation improves in the coming days.

7. Research & Development

The company has spent ₹ 88 Lakhs towards Research and Development during the financial year and is putting continuous efforts in R&D to develop the new products and process for optimum material consumption by effective yield.

The revenues generated by the R&D products for the last 3 years are

(All figures in ₹ Lakhs)

2017-18	2018-19	2019-20
741	42	40

8. Change in the nature of business, if any

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

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

Other than significant impact of Covid-19 pandemic. 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.

**10. 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.

11. 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.

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 management reviews and monitors the controls and process on a regular basis.

12. 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.

13. Details of Subsidiary/Joint Ventures/Associate Companies

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

14. 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.

15. Auditors**Statutory Auditors**

The members at the 51st Annual General Meeting of the Company held on 3rd August 2019, had appointed M/s. G. Nagendrasundaram & Co., Chartered Accountants as Statutory Auditors for a term of 5 years from the conclusion of the 51st 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 07, 2018, has done away with the requirement of yearly ratification of appointment of Statutory Auditors, at the AGM.

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. There are no qualifications, reservation or adverse remark or disclaimer made in the audit report for the Financial Year 2019-20.

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 31st March, 2020 and his reports during the financial year 2019-20 does not contain any qualification, reservation or adverse remark.

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 31st March, 2020 and his reports does not contain any qualification, reservation or adverse remark.

16. 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.

17. Extract of the Annual Return

The extract of the annual return in Form MGT – 9 is annexed and forming part of the Board's Report as Annexure -2.

18. 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 - 3 and shall form part of this report.

19. 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. However, the Promoters on their part realize their responsibility towards the society and provide free medical help to the poor people and financial assistance to the poor students through a Charitable Trust run by them, during the year Company contributed an amount of ` 6 Lakhs to the YVSS Murthy Charitable Trust.

20. Directors

As on the date of this report the following are the Board of Directors of the Company

S.No	Name of the Director	Designation
1	Sri Y.S.R. Venkata Rao	Managing Director
2	Dr. J.S. Yadav	Chairman
3	Sri. G. Jayaraman	Director
4	Sri K.V. Suryaprakash Rao	Director
5	Smt. Y. Lalithya Poorna	Director
6	Mr. Y.V. Prashanth	Director

During the year under review, the following changes took place in the Board:

i) Re-Appointment:

Dr. J.S. Yadav and Sri. G. Jayarman were re-appointed as Independent Director for another term of 5 years w.e.f 21st August 2019 pursuant to the special resolution passed at the 51st Annual General Meeting.

ii) Change in Designation :

The appointment of Sri K.V. Suryaprakash Rao was regularized at the 51st Annual General Meeting. Further Smt Y. Lalithya Poorna, Director retires by rotation and is eligible for reappointment at the ensuing annual general meeting.

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

Declaration by an Independent Director

Company had received the declaration 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.

21. Key Managerial Persons

As on the date of this report the following are the Key Managerial Personnel of the Company:

S.No	Name of the Director	Designation
1	Ms. K. Uma Kumari	Chief Financial Officer
2	Mr. Siddharth Dubey	Company Secretary and Compliance Officer

Ms. M. Neeharika, Company Secretary and Compliance Officer had resigned w.e.f. 18th April, 2019 and Mr. Siddharth Dubey was appointed as a Company Secretary and Compliance Officer w.e.f 3rd August 2019.

22. 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—

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

23. Committees

Your company has Audit Committee, Nomination and Remuneration Committee and Stakeholders



Relationship Committee and during the year there is no change in the composition of the committees and the details are provided in the Corporate Governance section.

24. Vigil mechanism for Directors and Employees

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

The Director Mr. Y.V.Prashanth is designated as ombudsperson to deal with all the complaints registered under the policy.

25. Policy on Sexual Harassment

Company had adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. As per the public notice issued by Women Development and Child Welfare Department, Government of Telangana a web portal popularly known as "t-shebox" was launched in the month of July 2019 and the Company had provided the details as required on the portal. During the year there was no complaints/incident of harassment.

26. Particulars of loans, guarantees or investments

The Company had not given any loans, guarantees or made investments as per the provisions of Section 186 of the Companies Act, 2013 during the financial year under review and also there are no outstanding amounts of loans given, guarantees provided and/or investments made at the beginning of the year.

27. 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 transactions; 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-4.

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 under Investors tab.

28. 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 -5.

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 to be provided to the shareholders who made specific request to the company.

29. Secretarial Audit Report

Secretarial Audit Report including Secretarial Compliance Report as per SEBI (LODR) Regulations for the Financial Year 2019-20 obtained from CS B. Venkatesh Babu, Company Secretary in Practice is annexed and forming part of the Board's Report as Annexure -6.

30. 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.

31. 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 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.

32. 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.

33. Cost Audit

Pursuant to provisions of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 cost audit is not applicable for the financial year 2019-20 for the Company.

34. 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.

35. Acknowledgements

Your Directors express their gratitude to all stakeholders, bankers, Regulatory Authorities, Government, customers, suppliers, business associates, from India and abroad, staff and workers for their continued support at all times and look forward to have the same in our future endeavours. Directors are pleased to record their appreciation of the sincere and dedicated services of the employees and workmen at all levels.

Your Directors look forward to the long term future with confidence

By order of the Board
For Alkali Metals Limited

Place : Hyderabad
Date : 12th June, 2020

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

DR. J.S. YADAV
DIRECTOR
DIN: 02014136



ANNEXURE- 1

IMPACT OF COVID 19

The COVID-19 pandemic caused a widespread concern and economic hardship to businesses and communities across the globe. The fast moving and unknown variables hit the business community so hard that the contingency plan(s) too failed to address the slide.

The sudden Imposition of Nationwide Lockdown lead to disruptions in Supply chain, Income generation and availability of Manpower. The combined result was very harsh and had a very significant downward impact. Some of the key variables which were impacted are stated below;

S. No	Criteria	Unit of Measurement	Average per month	Mar'20	%	Apr'20	%	May'20	%
1	Production	Tonnes	340	80	24%	45	13%	80	24%
2	Sale	₹ in Lakhs	600	233	39%	72	12%	744	124%*
3	Man power	Man days	9660	6878	71%	5658.5	59%	7239	75%
4	Salaries paid	₹ in Lakhs	95	95	100%	95	100%	95	100%

* Sale during the month of May'20 was Stock sale of previous months deferred orders.Pre-Lockdown Measures-

Since it became obvious that the pandemic is a real threat to the human resource we had taken up the below stated initiatives at all our factory units and admin office premises during 1st week of Mar'20.

- i. Seminar by Doctors on the CoVID-19 Do's and Don'ts
- ii. Providing Face Masks and mandating its usage at all times and also providing hand sanitizers
- iii. Implementation of work from home for majority of the admin staff

Steps taken to ensure smooth functioning of the operations

- i. Ensuring the full payment of salaries to the staff and workmen so that their livelihood does not get impacted.
- ii. Ensuring that all the directives given by the Government of India, Government of Telangana and Andhra Pradesh are followed.
- iii. Mandatory use of face masks at all times
- iv. Regular Sanitization of the premises/factory units and providing hand sanitizers
- v. Regular temperature monitoring including keeping a record of such data
- vi. Implementation of Social Distancing norms.

Outlook:

There's no readily available solution to the current situation, and it's certainly not business as usual. Keeping the various Financial support initiatives provided by Government and Banks, we are optimistic for things to improve. However if the current situation prevails, then it's going to be challenging.



ANNEXURE -2

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	: L27109TG1968PLC001196
(ii)	Registration Date	: 17/04/1968
(iii)	Name of the Company	: Alkali Metals Limited
(iv)	Category / Sub-Category of the Company	: Limited Company/ Indian Non Govt Company
(v)	Address of the Registered office and contact details	: B-5, IDA, Uppal, Hyderabad - 500039 secretarial@alkalimetals.com 040 - 27562932
(vi)	Whether listed company	: Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	: Cameo Corporate Services Limited Subramanian Building, No.1 Club House Road, Chennai – 600 002 Mr.Murali 044-28460390 cameosys@cameoindia.com CIN: U67120TN1998PLC041613

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

S. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Sodium Derivatives	20119	68.75
2	Pyridine Derivatives	20119	12.78
3	Fine Chemicals	20119	14.12

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

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

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding: Equity

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
(a) Individual/HUF	6904715	0	6904715	67.8095	6904715	0	6904715	67.8095	0.0000
(b) Central Govt	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c) State Govt (s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d) Bodies Corp.	633	0	633	0.0062	633	0	633	0.0062	0.0000
(e) Banks / FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f) Any Other.... Directors & relatives	185494	0	185494	1.8217	185494	0	185494	0.0000	0.0000
Sub-Total (A) (1)	7090842	0	7090842	69.6374	7090842	0	7090842	69.6374	0.0000
(2) Foreign									
(a) NRIs – Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b) Other – Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c) Bodies Corp.	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d) Banks / FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e) Any Other....	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-Total (A) (2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	7090842	0	7090842	69.6374	7090842	0	7090842	69.6374	0.0000
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b) Banks/FI	0	0	0	0.0000	50	0	50	0.0004	0.0004
(c) Central Govt	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d) State Govt (s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e) Venture Capital funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f) Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(g) FIIs	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h) Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i) Others (Specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub-Total (B)(1)	0	0	0	0.0000	50	0	50	0.0004	0.0004
(2) Non- Institutions									
(a) Bodies Corp.									
i. Indian	236802	0	236802	2.3255	93894	0	93894	0.9221	(1.4034)
ii. Overseas	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b) Individuals									
i. Individual share-holders holding nominal share capital up to 0.1 million	2192297	783	2193080	21.5377	2149046	510	2149556	21.1102	(0.4274)
ii. Individual shareholders holding nominal share capital in	453765	0	453765	4.2795	565549	0	565549	5.5541	1.2745



excess of 0.1 million									
(C) Others (Specify)									
NRI	84872	0	84872	0.8335	72393	0	72393	0.7109	(0.1225)
HUF	124634	0	124634	1.2240	185979	0	185979	1.8264	0.6024
Clearing members	6727	0	6727	0.0660	10146	0	10146	0.0660	(0.351)
IEPF	9784	0	9784	0.0960	14097	0	14097	0.1384	0.0423
Sub-Total (B)(2)	3090881	783	3091664	30.3625	3091154	510	3091614	30.3620	(0.0004)
Total Shareholding of Public (B)= (B) (1) + (B) (2)	3090881	783	3091664	30.3625	3091154	510	3091614	30.3625	0.0000
C. Shares held by custodian for GDRs & ADRs	0	0	0	0.0000	0	0	0	0.0000	0.0000
Grand Total (A+B+C)	10181723	783	10182506	100.000	10181996	510	10182506	100.00	0.0000

(ii) Shareholding of Promoters:

S.No	Name of the Shareholder	Share holding at the beginning of the year			Shareholding at the end of the year			% of Change during the Year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Y.S.R.Venkata Rao	6904715	67.8095	20.9182	6904715	67.8095	20.9182	0
2	Y. Lalithya Poorna	110000	1.0802	0	110000	1.0802	0	0
3	Y.S.R. Krishna Rao	46500	0.4556	0	46500	0.4556	0	0
4	Y. Krishna Veni	28994	0.2847	0	28994	0.2847	0	0
5	CDC Industrial Infrs Limited	633	0.0060	0	633	0.0060	0	0
Total		7090842	69.6374	20.9182	7090842	69.6374	20.9182	0

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


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

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
*1	Indrajitsinh Prabhatsinh Dabhi				
	At the beginning of the year 30-Mar-2019	63000	0.6187	63000	0.6187
	Sale 12-Apr-2019	-20000	0.1964	43000	0.4222
	Purchase 26-Apr-2019	4000	0.0392	47000	0.4615
	Sale 24-May-2019	-27000	0.2651	20000	0.1964
	Purchase 07-Jun-2019	8000	0.0785	28000	0.2749
	Sale 20-Sep-2019	-28000	0.2749	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
2	Rushiti Shah				
	At the beginning of the year 30-Mar-2019	57845	0.5680	57845	0.5680
	Purchase 21-Jun-2019	11440	0.1123	69285	0.6804
	Purchase 28-Jun-2019	497	0.0048	69782	0.6853
	Sale 05-Jul-2019	-1274	0.0125	68508	0.6728
	Sale 12-Jul-2019	-1269	0.0124	67239	0.6603
	Sale 19-Jul-2019	-600	0.0058	66639	0.6544
	Sale 09-Aug-2019	-1945	0.0191	64694	0.6353
	Purchase 30-Aug-2019	2644	0.0259	67338	0.6613
	Purchase 06-Sep-2019	100	0.0009	67438	0.6622
	Purchase 13-Sep-2019	500	0.0049	67938	0.6672
	Sale 20-Sep-2019	-2061	0.0202	65877	0.6469
	Purchase 27-Sep-2019	617	0.0060	66494	0.6530
	Purchase 04-Oct-2019	2515	0.0246	69009	0.6777
	Purchase 11-Oct-2019	5317	0.0522	74326	0.7299
	Purchase 18-Oct-2019	529	0.0051	74855	0.7351
	Purchase 01-Nov-2019	482	0.0047	75337	0.7398
	Sale 08-Nov-2019	-963	0.0094	74374	0.7304
	Purchase 22-Nov-2019	7142	0.0701	81516	0.8005
	Sale 06-Dec-2019	-1226	0.0120	80290	0.7885
	Sale 13-Dec-2019	-984	0.0096	79306	0.7788
	Purchase 20-Dec-2019	1713	0.0168	81019	0.7956
	Purchase 27-Dec-2019	1094	0.0107	82113	0.8064
	Purchase 31-Dec-2019	1853	0.0181	83966	0.8246
	Purchase 10-Jan-2020	615	0.0060	84581	0.8306
	Sale 17-Jan-2020	-830	0.0081	83751	0.8224
	Purchase 24-Jan-2020	1559	0.0153	85310	0.8378
	Sale 31-Jan-2020	-1600	0.0157	83710	0.8220
	Purchase 06-Feb-2020	3068	0.0301	86778	0.8522
	Purchase 07-Feb-2020	190	0.0018	86968	0.8540
	Purchase 14-Feb-2020	1654	0.0162	88622	0.8703
	Sale 21-Feb-2020	-64	0.0006	88558	0.8697
	Sale 28-Feb-2020	-900	0.0088	87658	0.8608



	Sale 06-Mar-2020	-87658	0.8608	0	0.0000
	Purchase 13-Mar-2020	894	0.0087	894	0.0087
	Purchase 20-Mar-2020	744	0.0073	1638	0.0160
	Purchase 27-Mar-2020	1463	0.0143	3101	0.0304
	Purchase 31-Mar-2020	87658	0.8608	90759	0.8913
	At the end of the Year 31-Mar-2020	90759	0.8913	90759	0.8913
3	Nishit Shripal Bhandari				
	At the beginning of the year 30-Mar-2019	55100	0.5411	55100	0.5411
	At the end of the Year 31-Mar-2020	55100	0.5411	55100	0.5411
4	Bharat Hiralal Shah				
	At the beginning of the year 30-Mar-2019	45350	0.4453	45350	0.4453
	Purchase 21-Jun-2019	9393	0.0922	54743	0.5376
	Sale 28-Jun-2019	-460	0.0045	54283	0.5331
	Purchase 05-Jul-2019	340	0.0033	54623	0.5364
	Sale 12-Jul-2019	-1762	0.0173	52861	0.5191
	Sale 19-Jul-2019	-1167	0.0114	51694	0.5076
	Sale 26-Jul-2019	-125	0.0012	51569	0.5064
	Sale 02-Aug-2019	-650	0.0063	50919	0.5000
	Sale 09-Aug-2019	-1411	0.0138	49508	0.4862
	Purchase 16-Aug-2019	524	0.0051	50032	0.4913
	Purchase 30-Aug-2019	350	0.0034	50382	0.4947
	Sale 20-Sep-2019	-2636	0.0258	47746	0.4689
	Purchase 27-Sep-2019	415	0.0040	48161	0.4729
	Purchase 11-Oct-2019	1983	0.0194	50144	0.4924
	Purchase 18-Oct-2019	402	0.0039	50546	0.4964
	Purchase 01-Nov-2019	92	0.0009	50638	0.4973
	Sale 08-Nov-2019	-456	0.0044	50182	0.4928
	Sale 22-Nov-2019	-683	0.0067	49499	0.4861
	Sale 29-Nov-2019	-115	0.0011	49384	0.4849
	Sale 13-Dec-2019	-964	0.0094	48420	0.4755
	Sale 20-Dec-2019	-28	0.0002	48392	0.4752
	Sale 27-Dec-2019	-87	0.0008	48305	0.4743
	Purchase 03-Jan-2020	59	0.0005	48364	0.4749
	Purchase 10-Jan-2020	67	0.0006	48431	0.4756
	Sale 17-Jan-2020	-275	0.0027	48156	0.4729
	Sale 31-Jan-2020	-121	0.0011	48035	0.4717
	Sale 06-Feb-2020	-88	0.0008	47947	0.4708
	Sale 14-Feb-2020	-150	0.0014	47797	0.4694
	Sale 21-Feb-2020	-20	0.0001	47777	0.4692
	Sale 28-Feb-2020	-100	0.0009	47677	0.4682
	Purchase 13-Mar-2020	2041	0.0200	49718	0.4882
	Purchase 20-Mar-2020	1339	0.0131	51057	0.5014
	Purchase 27-Mar-2020	2184	0.0214	53241	0.5228
	At the end of the Year 31-Mar-2020	53241	0.5228	53241	0.5228
5	Monika Sunil Khatwani				
	At the beginning of the year 30-Mar-2019	38000	0.3731	38000	0.3731
	Purchase 21-Jun-2019	1500	0.0147	39500	0.3879



	Purchase 28-Jun-2019	1000	0.0098	40500	0.3977
	Sale 09-Aug-2019	-521	0.0051	39979	0.3926
	Purchase 16-Aug-2019	7	0.0000	39986	0.3926
	Purchase 23-Aug-2019	246	0.0024	40232	0.3951
	Purchase 30-Aug-2019	777	0.0076	41009	0.4027
	Sale 20-Sep-2019	-1500	0.0147	39509	0.3880
	Purchase 27-Sep-2019	500	0.0049	40009	0.3929
	Purchase 18-Oct-2019	1000	0.0098	41009	0.4027
	Sale 08-Nov-2019	-2000	0.0196	39009	0.3830
	Purchase 22-Nov-2019	1000	0.0098	40009	0.3929
	Purchase 29-Nov-2019	3000	0.0294	43009	0.4223
	Sale 17-Jan-2020	-2000	0.0196	41009	0.4027
	Sale 31-Jan-2020	-1000	0.0098	40009	0.3929
	Purchase 06-Mar-2020	1226	0.0120	41235	0.4049
	Purchase 13-Mar-2020	2170	0.0213	43405	0.4262
	Purchase 20-Mar-2020	2000	0.0196	45405	0.4459
	Purchase 27-Mar-2020	1701	0.0167	47106	0.4626
	At the end of the Year 31-Mar-2020	47106	0.4626	47106	0.4626
6	Babalbhai Manilal Patel				
	At the beginning of the year 30-Mar-2019	27000	0.2651	27000	0.2651
	Purchase 12-Apr-2019	1000	0.0098	28000	0.2749
	Purchase 19-Apr-2019	3500	0.0343	31500	0.3093
	Purchase 10-May-2019	1088	0.0106	32588	0.3200
	Purchase 17-May-2019	1000	0.0098	33588	0.3298
	Sale 24-May-2019	-3500	0.0343	30088	0.2954
	Sale 28-Jun-2019	-4	0.0000	30084	0.2954
	Purchase 28-Feb-2020	1110	0.0109	31194	0.3063
	Purchase 13-Mar-2020	1000	0.0098	32194	0.3161
	Purchase 20-Mar-2020	2264	0.0222	34458	0.3384
	At the end of the Year 31-Mar-2020	34458	0.3384	34458	0.3384
*7	Emkay Global Financial Services Limited				
	At the beginning of the year 30-Mar-2019	25372	0.2491	25372	0.2491
	Purchase 05-Apr-2019	602	0.0059	25974	0.2550
	Sale 12-Apr-2019	-574	0.0056	25400	0.2494
	Sale 19-Apr-2019	-1208	0.0118	24192	0.2375
	Purchase 26-Apr-2019	1619	0.0158	25811	0.2534
	Purchase 03-May-2019	1359	0.0133	27170	0.2668
	Sale 10-May-2019	-4041	0.0396	23129	0.2271
	Purchase 17-May-2019	5530	0.0543	28659	0.2814
	Sale 24-May-2019	-9323	0.0915	19336	0.1898
	Purchase 31-May-2019	6204	0.0609	25540	0.2508
	Purchase 07-Jun-2019	2093	0.0205	27633	0.2713
	Purchase 14-Jun-2019	962	0.0094	28595	0.2808
	Sale 21-Jun-2019	-26830	0.2634	1765	0.0173
	Sale 28-Jun-2019	-1355	0.0133	410	0.0040
	Purchase 05-Jul-2019	238	0.0023	648	0.0063
	Sale 19-Jul-2019	-638	0.0062	10	0.0000
	Purchase 26-Jul-2019	200	0.0019	210	0.0020



	Sale 02-Aug-2019	-35	0.0003	175	0.0017
	Purchase 09-Aug-2019	274	0.0026	449	0.0044
	Sale 16-Aug-2019	-259	0.0025	190	0.0018
	Purchase 23-Aug-2019	3552	0.0348	3742	0.0367
	Sale 30-Aug-2019	-2965	0.0291	777	0.0076
	Sale 06-Sep-2019	-767	0.0075	10	0.0000
	Purchase 13-Sep-2019	65	0.0006	75	0.0007
	Purchase 20-Sep-2019	1946	0.0191	2021	0.0198
	Sale 27-Sep-2019	-2021	0.0198	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
7	Emkay Global Financial Services Limited A/C Derivatives Collateral Securities				
	At the beginning of the year 30-Mar-2019	300	0.0029	300	0.0029
	Purchase 05-Apr-2019	10223	0.1003	10523	0.1033
	Sale 19-Apr-2019	-901	0.0088	9622	0.0944
	Purchase 03-May-2019	4150	0.0407	13772	0.1352
	Sale 24-May-2019	-499	0.0049	13273	0.1303
	Sale 28-Jun-2019	-300	0.0029	12973	0.1274
	Sale 19-Jul-2019	-12973	0.1274	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
8	Sneh Girish Chhadua				
	At the beginning of the year 30-Mar-2019	21711	0.2132	21711	0.2132
	At the end of the Year 31-Mar-2020	21711	0.2132	21711	0.2132
*9	Darshana Jignesh Kothari JT1 : Neeta Manoj Ruparel				
	At the beginning of the year 30-Mar-2019	21702	0.2131	21702	0.2131
	Sale 21-Jun-2019	-1702	0.0167	20000	0.1964
	At the end of the Year 31-Mar-2020	20000	0.1964	20000	0.1964
*10	Bansuri Poly Pack Private Limited				
	At the beginning of the year 30-Mar-2019	20000	0.1964	20000	0.1964
	At the end of the Year 31-Mar-2020	20000	0.1964	20000	0.1964
	NEW TOP 10 AS ON (31-Mar-2020)				
#11	Indrajitsinh Prabhatsinh Dabhi HUF .				
	At the beginning of the year 30-Mar-2019	0	0.0000	0	0.0000
	Purchase 24-May-2019	27000	0.2651	27000	0.2651
	Purchase 20-Sep-2019	32000	0.3142	59000	0.5794
	Purchase 11-Oct-2019	2800	0.0274	61800	0.6069
	Purchase 08-Nov-2019	1200	0.0117	63000	0.6187
	At the end of the Year 31-Mar-2020	63000	0.6187	63000	0.6187
#12	Ayushiben Sirin Jayswal				
	At the beginning of the year 30-Mar-2019	10000	0.0982	10000	0.0982
	Purchase 27-Sep-2019	5000	0.0491	15000	0.1473
	Purchase 06-Feb-2020	7000	0.0687	22000	0.2160



	At the end of the Year 31-Mar-2020	22000	0.2160	22000	0.2160
#13	Kiran Babulal Gandhi JT1 : Trusha Kiran Gandhi				
	At the beginning of the year 30-Mar-2019	7000	0.0687	7000	0.0687
	Purchase 12-Apr-2019	2000	0.0196	9000	0.0883
	Purchase 26-Apr-2019	1500	0.0147	10500	0.1031
	Purchase 10-May-2019	1000	0.0098	11500	0.1129
	Purchase 16-Aug-2019	1000	0.0098	12500	0.1227
	Purchase 23-Aug-2019	350	0.0034	12850	0.1261
	Purchase 30-Aug-2019	839	0.0082	13689	0.1344
	Purchase 06-Sep-2019	500	0.0049	14189	0.1393
	Purchase 20-Sep-2019	1000	0.0098	15189	0.1491
	Purchase 27-Sep-2019	200	0.0019	15389	0.1511
	Purchase 11-Oct-2019	500	0.0049	15889	0.1560
	Purchase 18-Oct-2019	500	0.0049	16389	0.1609
	Purchase 25-Oct-2019	1111	0.0109	17500	0.1718
	Purchase 01-Nov-2019	339	0.0033	17839	0.1751
	Purchase 08-Nov-2019	161	0.0015	18000	0.1767
	Purchase 22-Nov-2019	500	0.0049	18500	0.1816
	Purchase 29-Nov-2019	1000	0.0098	19500	0.1915
	Purchase 13-Dec-2019	1000	0.0098	20500	0.2013
	Purchase 24-Jan-2020	500	0.0049	21000	0.2062
	Purchase 31-Jan-2020	500	0.0049	21500	0.2111
	At the end of the Year 31-Mar-2020	21500	0.2111	21500	0.2111
	HAVING SAME PAN				
13	Kiran Babulal Gandhi JT1 : Trusha K Gandhi				
	At the beginning of the year 30-Mar-2019	9646	0.0947	9646	0.0947
	Sale 08-Nov-2019	-999	0.0098	8647	0.0849
	Sale 31-Jan-2020	-7147	0.0701	1500	0.0147
	At the end of the Year 31-Mar-2020	1500	0.0147	1500	0.0147
13	Kiran Babulal Gandhi JT1 : Trusha Kiran Gandhi				
	At the beginning of the year 30-Mar-2019	5	0.0000	5	0.0000
	Sale 20-Sep-2019	-5	0.0000	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
13	Kiran B Gandhi JT1 : Trusha K Gandhi				
	At the beginning of the year 30-Mar-2019	1	0.0000	1	0.0000
	At the end of the Year 31-Mar-2020	1	0.0000	1	0.0000
13	Kiran Babulal Gandhi JT1 : Trusha Kiran Gandhi				
	At the beginning of the year 30-Mar-2019	0	0.0000	0	0.0000
	Purchase 20-Sep-2019	5	0.0000	5	0.0000
	At the end of the Year 31-Mar-2020	5	0.0000	5	0.0000
#14	Vijay Ashok Sheth				
	At the beginning of the year 30-Mar-2019	14064	0.1381	14064	0.1381



	Purchase 05-Apr-2019	900	0.0088	14964	0.1469
	Purchase 12-Apr-2019	700	0.0068	15664	0.1538
	Purchase 19-Apr-2019	50	0.0004	15714	0.1543
	Purchase 26-Apr-2019	1150	0.0112	16864	0.1656
	Purchase 10-May-2019	100	0.0009	16964	0.1665
	Purchase 17-May-2019	171	0.0016	17135	0.1682
	Purchase 14-Jun-2019	27	0.0002	17162	0.1685
	Purchase 28-Jun-2019	131	0.0012	17293	0.1698
	Purchase 05-Jul-2019	150	0.0014	17443	0.1713
	Purchase 18-Oct-2019	100	0.0009	17543	0.1722
	Purchase 22-Nov-2019	1426	0.0140	18969	0.1862
	Purchase 10-Jan-2020	2000	0.0196	20969	0.2059
	At the end of the Year 31-Mar-2020	20969	0.2059	20969	0.2059
	HAVING SAME PAN				
14	Vijay Ashok Sheth				
	At the beginning of the year 30-Mar-2019	400	0.0039	400	0.0039
	At the end of the Year 31-Mar-2020	400	0.0039	400	0.0039

- * Ceased to be in the list of Top 10 shareholders as on 31/03/2020. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2019
- # Not in the list of Top 10 shareholders as on 01/04/2019. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2020.

(v) Shareholding of Directors and Key Managerial Personnel:

S. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Y.S.R. Venkata Rao				
	At the beginning of the year	6904715	67.8095	6904715	67.8095
	At the End of the year	6904715	67.8095	6904715	67.8095
2	Y Lalithya Poorna				
	At the beginning of the year	110000	1.0802	110000	1.0802
	At the End of the year	110000	1.0802	110000	1.0802
	Total	701471	68.8897	7014715	68.8897


V. INDEBTEDNESS:

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

(Amount In ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	17,23,22,002	1,72,61,987	0	18,95,83,989
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	17,23,22,002	1,72,61,987	0	18,95,83,989
Change in Indebtedness during the financial year				
Addition	0	2,52,84,882	0	2,52,84,882
Reduction	77,67,995	5,84,169	0	83,52,164
Net Change	(77,67,995)	2,47,00,713	0	1,69,32,718
Indebtedness at the end of the financial year				
i) Principal Amount	16,45,54,007	4,19,62,700	0	20,65,16,707
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	19,57,567	0	0	19,57,567
Total (i+ii+iii)	16,65,11,574	4,19,62,700	0	20,84,74,274

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director(MD), Whole-time Directors(WTD) and/or Manager

S.No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (₹)
		Y.S.R. Venkata Rao, Managing Director	
1	Gross salary		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	72,00,000	72,00,000
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	3,75,000	3,75,000
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify (sitting fee)	5,92,247	5,92,247
5	Others, please specify	-	-
Total (A)		81,67,247	81,67,247
Ceiling as per the Act		84,00,000	84,00,000


B. Remuneration to other Directors:

S.No.	Particulars of Remuneration	Name of the Director(s)			Total Amount (₹)
		G. Jayaraman	J.S. Yadav	K.V. S. Prakash Rao	
1	Independent Directors Fee for attending board / committee meetings	2,30,000	2,30,000	1,80,000	6,40,000
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	2,30,000	2,30,000	1,80,000	6,40,000
2	Other Non-Executive Directors	Y.V. Lalithya Poorna	Y.V. Prashanth	-	
	Fee for attending board / committee meetings	80,000	1,80,000		2,60,000
	Commission	0	0		0
	Others, please specify	0	0		0
	Total (2)	80,000	1,80,000		2,60,000
	Total (B) = (1)+(2)				9,00,000
	Total Managerial Remuneration				90,67,247
	Overall Ceiling as per the Act				

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

S.No.	Particulars of Remuneration	Key Managerial Personnel			
		K. Uma Kumari, CFO	M. Neeharika, CS	Siddharth Dubey, CS	Total (₹)
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,08,480	36,594	3,95,973	19,41,047
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0	0
5	Others, please specify	0	0	0	0
	Total (A)	15,08,480	36,594	3,95,973	19,41,047

Note:

i) Mrs. M. Neeharika had resigned on 18th April 2019

ii) Mr. Siddharth Dubey was appointed as Company Secretary on 3rd August 2019

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

By order of the Board
For Alkali Metals Limited

Place : Hyderabad
Date : 12th June, 2020

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

DR. J.S. YADAV
DIRECTOR
DIN: 02014136

**ANNEXURE -3**

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

A. CONSERVATION OF ENERGY**1) The steps taken or impact on conservation of energy:**

The 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.

2) 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.

3) The Capital investment on energy conservation equipments:

Not envisaged any additional investment in the coming year.

B. TECHNOLOGY ABSORPTION**i. The Efforts made towards technology absorption:**

The Company had its own technology for the process and the products and the company is in the continuous process of its R&D to reduce the process time, cost etc.

ii. The Benefits derived like product improvement, cost reduction, product development or import substitution:

- Consistent approach to chemical process parameters for quality standards.
- Commercialization of new products
- Save time by automating repetitive R&D tasks
- Gain valuable chemical process understanding from low value material and process attributes data using machine learning methods.
- Adaptability to cost cutting measures.

iii. Details of technology imported during the past 3 years:

No technology has been imported during the past 3 years.

iv. The expenditure incurred on Research and Development: ₹ 87 Lakhs**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

	2019-20		2018-19	
Earnings		31,84,27,849		286,768,050
Outgo		17,39,43,484		208,648,856
Raw Materials	17,12,99,267		206,323,369	
Foreign currency Exp.	26,44,217		2,325,487	
Net Foreign Exchange earnings		14,44,84,365		78,119,194

By order of the Board
For Alkali Metals Limited

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

DR. J.S. YADAV
DIRECTOR
DIN: 02014136

Place : Hyderabad
Date : 12th June, 2020



Annexure -4 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	Rent	Continuous transactions	Rent paid amounted to ₹ 5,69,000	5 th February, 2019	3 months rental as rental deposit
		Towards purchase of flat	One time	Amount of ₹ 45,00,000	3 rd August 2019	Total amount paid as advance
Mr. Y.V. Prashanth	Director	Rent	Continuous transactions	Rent paid amounted to ₹ 7,38,000	5 th February, 2019	3 months rental as rental deposit
Late Y.V. Lalitha Devi	Mother of Managing Director	Rent	Continuous transactions	Rent paid till May 2019 amounted to ₹ 60,000	5 th February, 2019	-
Smt.Y. Lalitha Poorna	Director	Rent	Continuous transactions	Rent paid from June 2019 amounted to ₹ 3,09,000	5 th February, 2019	-
CDC Industrial Infrass Limited	Entity in which common promoter Directors	Rent	Continuous transactions	Rent paid amounted to ₹ 3,69,000	5 th February, 2019	3 months rental as rental deposit
Asian Herbex Limited	Entity in which common promoter Directors	Towards consideration for Capital Equipment	One Time transaction	Towards consideration for Capital Equipment an amount of ₹ 1,23,79,904	9 th November, 2019	Advance paid towards capital equipment ₹ 94,02,096
Zigna Analytics Private Limited	Entity in which common promoter Director	Sales Commission	Continuous transactions	Commission paid amounted to ₹ 26,00,680	5 th February, 2019	No
Dr. Y.V.S Murthy Charitable Trust	Promoter Directors are Trustees	Donation	One-Time transactions	Donation given ₹ 6,17,216	3 rd August 2019	No

By order of the Board
For Alkali Metals Limited

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

DR. J.S. YADAV
DIRECTOR
DIN: 02014136

Place : Hyderabad
Date : 12th June, 2020

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

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

S.No	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1	Sri. Y.S.R.Venkata Rao, Managing Director	24.15

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

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

S.No	Name of the Director and KMP	Percentage increase in remuneration
1	Sri. Y.S.R.Venkata Rao, Managing Director	10.49%
2	Ms. K. Uma Kumari, CFO	Nil
3	Mr. Siddharth Dubey, CS	Nil*
4	Ms. M. Neeharika, CS	Nil*

* Note:

a) Mr. Siddharth Dubey was appointed as CS w.e.f 3rd August 2019

b) Mrs. M. Neeharika, CS resigned w.e.f 18th April 2019

- (iii) The percentage increase in the median remuneration of employees in the financial year: NIL
- (iv) The number of permanent employees on the rolls of Company:
118 members as on 31st March, 2020.
- (v) The explanation on the relationship between average increase in remuneration and company's performance

Average increase in remuneration	Company's performance
10.49%	Turnover is ₹ 7084 Lakhs and Net Profit is ₹ 95.23 Lakhs

- (vi) Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the company

Turnover	70,84,58,245
Net Profit	95,23,560
Total Remuneration to KMP	1,01,08,294

- (vii) 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	31.03.2020	31.03.2019
1	Market Capitalisation		
	BSE (amount in ₹)	25,50,71,775.30	41,85,00,996.60
	NSE (amount in ₹)	25,55,80,900.60	42,15,55,748.40
2	Price Earnings ratio (based on Basic EPS)		
	BSE	27	22
	NSE	27	22
3	Market quotation of the shares compare to rate at which came out with IPO. The Company came with Initial Public Offer during the period of 2008 at a price of ₹103 per share. As on 31st March 2020 (last trading day) the market quotation of the company shares price is ₹ 25.05 on BSE and ₹ 25.10 on NSE.		

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

The Average percentage of increase in remuneration of employees other than the managerial personnel is NIL as compare to increase in the remuneration of Managerial person by 10%.

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

S. No.	Name	Remuneration of Key Managerial Person (Amount in ₹)	Performance of the Company during 2019-20	% to Turnover
1.	Sri. Y.S.R. Venkata Rao, MD	81,67,247	Turnover ₹ 70,84,58,245 Net Profit ₹ 95,23,560	1.15%
2.	Ms. K. Uma Kumari, CFO	15,08,480		0.21%
3.	Mr. Siddharth Dubey, CS	3,95,973		0.05%
4.	Ms. M. Neeharika, CS	36,594		-

Note

- Mr. Siddharth Dubey was appointed as CS w.e.f 3rd August 2019
 - Mrs. M. Neeharika, CS resigned w.e.f 18th April 2019
 - Mr. Siddharth Dubey remunerations is annualized for the purpose of calculating % of turnover.
- (x) The key parameters for any variable component of remuneration availed by the directors Managing Director is entitled 5% on profits as part of remuneration during the year ended 31st March 2020.



- (xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year Not Applicable.
- (xii) Affirmation that the remuneration is as per the remuneration policy of the company.
It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMPs and other Employees.

By order of the Board
For Alkali Metals Limited

Place : Hyderabad
Date : 12th June, 2020

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

DR. J.S. YADAV
DIRECTOR
DIN: 02014136

**Annexure-6
FORM MR-3**

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

**SECRETARIAL AUDIT REPORT
(For the Financial Year ending 31st March 2020)**

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 31st March 2020, 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 Bulk Drug, Intermediaries such as Organic and Inorganic Chemical and Fine Chemicals.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;



- 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.

However, please note that SEBIs 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. K.V. Suryaprakash Rao, appointment of Director was ratified at the 51st Annual General Meeting held on 03rd August 2019.
 - Sri. G. Jayaraman and Dr. J.S. Yadav, Independent Directors were re-appointed for a further term of 5 years at the 51st Annual General Meeting held on 03rd August 2019 with effect from 21st August 2019.
 - Ms. M. Neeharika, CS resigned with effect from 18th April 2019 and Company appointed Mr. Siddharth Dubey, as CS with effect from 03rd August 2019.



2. Adequate notice is given to all directors to conduct the Meetings of Board and its committees. Agenda and detailed notes on agenda were sent at shorter period in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All decisions at Board Meeting and committee meetings were carried out unanimously as recorded in the minutes of the meeting and there were no instances of dissenting members in the board and committee meetings.
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.

CS B. Venkatesh Babu

Company Secretary

FCS No. 6708, CP.No. 5103

UDIN: F006708B000336312

Place : Hyderabad

Date : 12th June, 2020



Secretarial Compliance Report of Alkali Metals Limited for the year ended 31st March, 2020

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 31st March, 2020 ("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:

S. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks of the Practicing Company Secretary
Nil				



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

S. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended...	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
There are no observations and accordingly no actions were taken				

Place : Hyderabad
Date : 12th June, 2020

CS B. Venkatesh Babu
Company Secretary
FCS No. 6708, CP.No. 5103
UDIN: F006708B000336323



MANAGEMENT DISCUSSION AND ANALYSIS

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

INDUSTRY OUTLOOK, OPPORTUNITIES AND THREATS

During the financial year 2019-20 the Company recorded a turnover of ₹ 7085 Lakhs compared to the turnover of ₹ 7156 Lakhs during 2018-19. Comprehensive Net Profit during the year 2019-20 is ₹ 95 Lakhs compared to previous years ₹ 188 Lakhs. The unexpected Covid-19 situation had led to reduction in turnover and margins during the Quarter 4.

OUTLOOK

India's Chemical Industry is the 6th largest in the world and 3rd largest in Asia. It was on a steady rise and it was expected to reach greater heights. However, the unexpected Covid-19 situation has caused a severe impact and until everything normalizes everything remains stagnant.

Due to the global supply-chain disruptions and the unavoidable government imposed lockdown measures, Indian capital markets experienced a significant decline in March 2020 and a subsequent rebound in April 2020. Since the chemical sector, is of essential nature, manufacturing operations resumed at a reduced capacity shortly after the initial lockdowns.

With the Covid-19 situation not slowing down, it might take few more months for normalcy and till that time the Chemical Industry has to operate with reduced capacity, reduced margins and maximum precautions.

POTENTIAL PITFALLS

- Global Supply chain disruptions
- Reduced Margins
- International companies may also dump chemicals at low price.
- Buyers tend to have specific chemical requirements.
- There are no direct substitutes for a specific chemical requirement.

PRODUCT PERFORMANCE

The company has sold 1335 MT of finished products during 2019-20 as against 1280 MT in the previous year.

Company had a mixture of products of sodium derivatives, pyridine derivatives and fine chemicals, company is continuously developing new products and commercialize the same on campaign basis, your company is planning to expand and/or diversify the range of products in the coming years and expecting the increase in turnover and margins.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

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

- Efficient use and safeguarding resources
- Accurate recording and custody of assets



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

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

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

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

(All figures in ₹ Lakhs)

	2019-20	2018-19
Net Sales	7085	7156
Other income	57	40
Total income	7142	7196
Total expenditure	7008	6414
Operating profit/(Loss)	724	782
Finance charges	246	271
Gross profit before depreciation and taxes	478	511
Depreciation	345	341
Profit/(Loss) before exceptional items and tax	133	169
Exceptional and Extraordinary items	(21)	0
Provision for income tax & Prev. Yr. taxes	13	0
Profit/(Loss) after tax	125	169
Other comprehensive income	(30)	19
Total Comprehensive income	95	188

The book value per share stands at ₹ 49.38/- as on 31.03.2020 (₹ 51.10 previous year).

HUMAN RESOURCE DEVELOPMENT

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



The Management on its part has been extremely focussed on ensuring the well being of all its employees. Regular sanitization at workplace, Work-From-Home option, Regular monitoring of the SPO2 levels and Temperature check at all units and administrative offices have been put in place. Apart from that, timely and full payment of salaries have been ensured. Furthermore, immunity booster medicines have been provided to the employees & their families and Top-up Insurance Coverage to the extent of ` 1 Lakh each employee has been provided.

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.

By order of the Board
For Alkali Metals Limited

Place : Hyderabad
Date : 12th June, 2020

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

DR. J.S. YADAV
DIRECTOR
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 tries to work by these principles in all its interactions with stakeholders, including shareholders, employees, customers, suppliers and statutory authorities. Towards this, the Company continues to focus its energies and resources in order to enhance the trust of all its stakeholders.

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

1. BOARD OF DIRECTORS

Composition

The Board consists of six Directors as on 31st March, 2020 of which three are Independent Directors, Two Non Executive and Non Independent Directors and one Managing Director. The day-to-day management of the company was carried on by the Managing Director of the Company.

Number of Board Meetings:

During the year (01-04-2019 to 31-03-2020) the Board met four times i.e. on 27th May 2019, 3rd August 2019, 9th November 2019 and 29th January 2020, wherein the gap between two consecutive board meetings was less than 120 days in any case.

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(6)		Attendance at the AGM held on 03/08/2019
					Chairman	Member	
(1)	(2)	(3)	(4)	(5)			(7)
1)	Dr. J.S. Yadav	Chairman & Independent Director	4	2	--	--	Yes
2)	Sri. G. Jayaraman	Independent Director	4	1	--	--	Yes
3)	Sri. Y.S.R. Venkata Rao	Managing Director	4	5	--	--	Yes
4)	Sri. K.V. Suryaprakash Rao	Independent Director	3	--			No
5)	Smt. Y. Lalithya Poorna	Non-Independent & Non-Executive Director	2	3	--	--	No
6)	Mr. Y.V.Prashanth	Non-Independent & Non-Executive Director	3	4	--	--	No

**Notes:**

- a. Other Directorships exclude foreign companies
- b. Other companies as on 31.03.2020
- c. Sri Y.S.R. Venkata Rao is the Promoter of the Company and his son Mr. Y.V. Prashanth is a Non Executive and Non Independent Director and his daughter Smt. Y. Lalithya Poorna is a Non-Executive Woman Director.
- d. Smt Y. Lalithya Poorna holds 1,10,000 shares in the company.
- e. Sri K.V. Suryaprakash Rao, Additional Director was appointed as Director at the Annual General Meeting held on 3rd August, 2019.
- f. Dr. J.S. Yadav and Sri. G. Jayaraman were re-appointed for a further term of 5 years w.e.f 21st August 2019 at the Annual General Meeting of the Company held on 3rd August, 2019
- g. The existing Directors as on date are holding directorship in this listed entity only.

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.

The Board as a whole is consisting of expertise skills of technical knowledge in Chemicals field, R&D experts, Marketing skills, Financial Management and Administrative field.

Stated below is the specific area of focus of the individual Board Members.

- i. Dr. J.S. Yadav- is expert in the field of Organic and Inorganic chemistry, R&D, Administration.
- ii. Sri. Y.S.R. Venkata Rao- 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 to lead the Company.
- iii. Sri. G. Jayaraman- is multi-faceted and experience across information technology, textiles, cement and pharmaceuticals in the areas like finance, accounts, secretarial, legal and administration functions.
- iv. Sri. K.V. Surya Prakash Rao- he has around 38 years of experience in the field of promoting Research & Development, academia and administration.
- v. Mrs Y.V. Lalithya Poorna – she has experience in Chemical and Pharmaceutical sector
- vi. Mr Y.V. Prashanth- has experience in the field of production, finance, marketing, and administration.

INDEPENDENT DIRECTOR DATABANK 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. Requisite disclosures have been received from the directors in this regard.

As per the notification Sri. G. Jayaraman and Dr. J.S. Yadav are not required to undergo the



mandatory online self-assessment test specified therein as they have served as Director in a listed company for more than 10 years and Sri. K.V. Suryaprakash Rao is yet to undergo the online self-assessment test.

2. AUDIT COMMITTEE

The Audit Committee (AC) assists the Board in the dissemination of financial information and in overseeing the financial and accounting processes in the Company. The terms of reference of the audit committee covers all matters specified in 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 reports, assessment of the efficacy of the internal control systems/ financial reporting systems and reviewing the adequacy of the financial policies and practices followed by the company. The audit committee reviews the 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 internal auditor, statutory auditor. The committee also looks into those matters specifically referred to it by the Board. The statutory auditors and internal auditors were present at all audit committee meetings.

The Chairman of the Audit Committee is an Independent Director. All members including Chairman have adequate financial and accounting knowledge. The Chairman of the Audit Committee was present at the Annual General Meeting of the company held on 3rd August 2019. During the period 01-04-2019 to 31-03-2020, the committee met four times and the time gap between one meeting to another is less than 120 days.

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

S. No.	Name of the Member	Category	No. of Meetings Attended
1)	Sri. G. Jayaraman	Independent Director	4
2)	Dr J.S. Yadav	Independent Director	4
3)	Sri. K.V. Suryaprakash Rao	Independent Director	3
4)	Mr. YV Prashanth	Non-Executive Non-Independent Director	3

3. NOMINATION AND REMUNERATION COMMITTEE

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

During the financial year 2019-20, the NRC had met two times.

Composition of committee and attendance of members

S. No.	Name of the Member	Category	No. of Meetings Attended
1)	Sri. G. Jayaraman	Independent Director	2
2)	Dr J.S. Yadav	Independent Director	2
3)	Sri. K.V. Suryaprakash Rao	Independent Director	1
4)	Mr. YV Prashanth	Non-Executive Non-Independent Director	1



This committee recommends appointment/ reappointment of executive directors and the appointments of 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.

Nomination and Remuneration policy

The objectives of the Policy

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

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

**4. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The SRC deal with to approve share transfer, transmissions, issue of duplicate share certificates, rematerialisation of shares and all other issues pertaining to shareholders and review the redressal mechanism of investor grievances. The committee also reviews the performance of the Registrar and Share Transfer Agents. SRC Committee had met one time during the year 2019-20.

Company had not received any complaints during the year except non receipt of financial statements and revalidation of dividend warrants which were attended immediately.

Composition of the committee is as follows.

S.No.	Name of the Member	Category
1)	Sri. G. Jayaraman	Independent Director
2)	Sri Y.S.R. Venkata Rao	Managing Director
3)	Dr J.S. Yadav	Independent Director
4)	Sri. KV Suryaprakash Rao	Independent Director
5)	Mr. YV Prashanth	Non-Executive Non-Independent Director

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

5. MEETING OF INDEPENDENT DIRECTORS:

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

6. REMUNERATION PAID TO DIRECTORS

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 2019-20**

(All figures in ₹)

S.No.	Name of the Director	Commission	Remuneration	Sitting Fee	Total
1)	Dr. J.S.Yadav	--	--	2,30,000	2,30,000
2)	Sri. G. Jayaraman	--	--	2,30,000	2,30,000
3)	Sri. Y.S.R. Venkata Rao	5,92,247	75,75,000	--	81,67,247
4)	Smt. Y. Lalithya Poorna	--	--	80,000	80,000
5)	Mr. Y.V.Prashanth			1,80,000	1,80,000
6)	Sri. K.V. Surayaprakash Rao	--	--	1,80,000	1,80,000

7. 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
2016-17	Plot B-5, IDA, Uppal, Hyderabad – 500 039	4 th August 2017	11:00 A.M.
2017-18	Plot B-5, IDA, Uppal, Hyderabad – 500 039	30 th June 2018	11:00 A.M.
2018-19	Plot B-5, IDA, Uppal, Hyderabad – 500 039	3 rd August 2019	12:00 Noon.

- a) No Extra-Ordinary General Meeting of the shareholders was held during the year.
- b) 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.
- c) Special Resolutions passed during the previous three Annual General Meetings:
 - i. 49th Annual General Meeting - 4th August 2017 – No Special Resolutions were passed
 - ii. 50th Annual General Meeting – 30th June 2018
Special Resolutions passed for the Re-appointments of Mr. Y. V. Prashanth as Executive Director and Sri. Y.S.R. Venkata Rao as Managing Director of the Company for a further period of 3 Years.
 - iii. 51st Annual General Meeting – 3rd August 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 21st August 2019.
- d) 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**8. SUBSIDIARY COMPANIES**

The Company has no subsidiary company.

**9. RISK MANAGEMENT**

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

10. WHISTLE BLOWER POLICY

The company has an established mechanism for Directors / Employees to report concerns about unethical 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 has been denied access to the audit committee. The Company has formulated a Policy of Vigil Mechanism and has established a mechanism that any personnel may raise Reportable Matters.

11. RELATED PARTY TRANSACTION

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

12. ACCOUNTING TREATMENT

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

13. COMPLIANCES

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

14. MEANS OF COMMUNICATION

The Quarterly, Half Yearly and Annual 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 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).

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

The standards for business conduct provide that the directors and the senior management will uphold ethical values and legal standards as the company pursues its objectives, and that honesty and personal integrity will not be compromised under any circumstances. A copy of the said code of conduct is available on Company's website i.e. www.alkalimetals.com. The Board members and senior management personnel have affirmed compliance with the code of conduct for the financial year 2019-2020.

**16. GENERAL SHAREHOLDER INFORMATION****a) Annual General Meeting**

Date and time:	26th September 2020 at 11:00 A.M.
Venue:	Through Video Conference
Book Closure Date :	21.09.2020 to 26.09.2020

b) Financial Year : 1st April 2020 to 31st March 2021

Financial Calendar 2020 - 2021 (tentative)

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

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

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

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

c) Particulars of Dividend for the year ended 31.03.2020 ₹ 1/- per share which was the Interim Dividend and same will be declared as the Final Dividend.**d) Listing of Shares**

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

Note: Annual Listing fees for the year 2020-21 were duly paid to the above stock exchanges

e) Stock Market Data for the financial year 2019-20

(All figures in ₹)

Month	NSE			BSE		
	High	Low	Closing	High	Low	Closing
April	46.25	39.95	40.8	46.9	39.35	41
May	53.6	35.35	45.7	55.9	35.6	46
June	47.55	37.65	41.9	49.85	37.9	41.4
July	42.8	35.25	35.6	42.6	34.05	34.7
August	50.7	34.1	40.25	49.8	34.35	40.05
September	53.5	39.35	47.55	53.25	40	47.85
October	47.8	42.1	44.3	48.9	41.15	44.5
November	59	38.1	40.55	57.95	38.85	40.8
December	42.7	35.95	41.25	42.55	32.4	41.15
January	57	40.1	50	56.8	40.05	50.4
February	52	41.1	43	52.95	42.65	42.95
March	44.9	22	25.1	43.95	25.05	25.05

**f) Shareholding Pattern as on 31st March 2020**

Category	No. of shares held	% of holdings
Indian Promoters including persons acting in concert	70,90,842	69.640
Banks/Financial Institutions	50	0.001
Bodies corporate	93,894	0.920
Clearing Members	10,146	0.100
IEPF	14,097	0.140
Resident Indians	27,15,105	26.660
Non-Resident Indians	72,393	1.830
Hindu undivided families	1,85,979	0.710
Total	10,182,506	100.00

g) Distribution of Shareholding as on 31st March 2020

HOLDING (in INR)	NUMBER	% OF TOTAL	SHARES	% OF TOTAL
between 10 and 5000	8924	90.4428	916215	8.9979
between 5001 and 10000	501	5.0775	404547	3.9729
between 10001 and 20000	226	2.2904	336995	3.3095
between 20001 and 30000	77	0.7803	194891	1.9139
between 30001 and 40000	39	0.3952	137657	1.3518
between 40001 and 50000	27	0.2736	127679	1.2539
between 50001 and 100000	40	0.4053	289167	2.8398
between 100001 and Above	33	0.3344	7775355	76.3599
Total	9867	100.00	10,182,506	100.00

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

h) 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

i) Share Transfer System

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

j) Reconciliation of Share Capital Audit

A quarterly audit was conducted by a 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.

**k) 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 also notifies the transfer of under laying shares of unclaimed/unpaid dividend for seven years to IEPF account. Company transferred the unpaid dividend till 2011-12 to IEPF and with regard to under laying shares, followed the procedure laid down by issuing individual notices and paper advertisement for unclaimed/unpaid dividend laying shares pertains to financial year 2011-12 and transferred the 57 shareholders 4313 shares of ₹ 10 each to IEPF account. The Voting rights of these shares will remain frozen till the rightful owner of such shares claim the shares.

Your Company will undertake necessary steps for transfer of unclaimed/unpaid dividend laying shares pertains to financial year 2012-13 in accordance with the applicable provisions of the Act and Rules and ensure the transfer to IEPF account. Shareholders are required to claim the unpaid dividend if any immediately.

The unclaimed dividend as on March 31, 2020 with due date of transfer to IEPF is as follows:

Financial Year	Date of declaration	Date of transfer to IEPF
2012-13	30th July 2013	September 2020
2015-16 (interim dividend)	23rd January 2016	February 2023
2015 -16 (final dividend)	30th July 2016	September 2023
2016-17	4th August 2017	September 2024
2017-18	30th June, 2018	August 2025
2018-19	3rd August 2019	September 2026
2019-20 (interim dividend)	29th January 2020	February 2027

l) Plant Locations

The Company's plants are located at:

Unit-I : Plot No. B-5, Block-III, IDA, Uppal, Hyderabad – 500 039.

Unit-II : Survey No. 299 to 302, Dommara Pochampally Village,
Qutubullapur Mandal, Medchal District - 500043.

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

m) Address for correspondence:

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

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

**18. NON-MANDATORY DISCLOSURES**

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

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

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

I declare that the Company has received affirmation of compliance with the “Code of Business conduct for Directors and Senior Executives” laid down by the Board of Directors, from all the Directors and Senior Management Personnel of the Company, to whom the same is applicable, for the financial year ended 31st March 2020.

Y.S.R. VENKATA RAO

Managing Director

DIN: 00345524

Place : Hyderabad

Date : 12th June, 2020

**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, CFO 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 31st March 2020 and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the 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 31st March 2020 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
 - a) That there are no significant changes in internal control over financial reporting during the year;
 - b) That there are no significant changes in Accounting Policies during the year; and
 - c) 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 : 12th June, 2020

K. UMA KUMARI
CFO

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 Nagendrasundaram & 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 31 March 2020, 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, 2020.
8. 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 NAGENDRASUNDARAM & CO
CHARTERED ACCOUNTANTS
(FRN 005355S)**

**B.N. BHARATHI
PARTNER**

Place : Hyderabad
Date : 12th June, 2020

M.NO.236639
UDIN:20236639AAAAAR6817

**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) 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, 2020 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.	Smt. Y. Lalithya Poorna	00345471	10/04/2010
6.	Mr. Y. V. Prashanth	00345418	01/11/2013

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.

Signature:

Name: B. VENKATESH BABU

Membership No.: F6708

CP No.: 5103

UDIN: L27109TG1968PLC001196

Place : Hyderabad
 Date : 12th June, 2020

**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 31st March 2020, 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, 2020, and its Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 the matters described below to be the key audit matters to be communicated in our report:

SI No	Key Audit Matter	Auditor's Response
1	Inventory: <ul style="list-style-type: none"> The Physical verification of Inventories could not be carried out due to Covid-19 lock down restrictions at the end of the year. The book stocks have been considered for valuation purpose in the financials after due reconciliation with physical stocks taken subsequent to recommencement of operations during April 2020. 	<p>To ensure that the values reported in the financials are true and fair, we have performed the below mentioned audit procedure:</p> <ul style="list-style-type: none"> We have reviewed the workings papers of physical verification of stock performed post lock down and checked whether any major deviation of quantities between the book stock and physical stock and on such verification no material discrepancies are noticed. We have verified the documentation for valuation of inventories and ensured that the inventory valuation has been in accordance with accounting standards.

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.

That 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 skepticism 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, 2016 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, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, 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.

For G NAGENDRASUNDARAM & CO
CHARTERED ACCOUNTANTS
(FRN 005355S)

B.N. BHARATHI
PARTNER

M.NO.236639

UDIN:20236639AAAAAS7253

Place : Hyderabad
Date : 12th June, 2020

**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. According to the information and explanations given to us, the Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- 1.2. According to the information and explanations given to us, all the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- 1.3. All the title deeds of the immovable properties are held in the name of the Company.
2. According to the information and explanations given to us, the inventories have been physically verified at reasonable intervals by the management and no material discrepancies were noticed on such verification.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the sub-clauses (a), (b) and (c) are not applicable to the company.
4. According to the information and explanations given to us, the Company has not granted any loans nor has it made any investments or given any guarantee or security which are covered under the provisions of Section 185 and 186 of the Companies Act, 2013.
5. According to the information and explanations given to us, the Company has not accepted any deposits in terms of 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, 2013 and the rules framed there under.
6. We have broadly reviewed the cost records maintained by the Company pursuant sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- 7.1 According to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues, as are applicable, with 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 dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of dispute.
8. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution or bank.
9. According to the information and explanations given to us, during the year under review, the Company has not raised any money by way of initial public offer, further public offer. However, Money raised by way of term loans were applied for the purposes for which those are raised.
10. According to the information and explanations given to us and based upon the audit procedures



performed by us, no fraud by the Company or on the Company committed by its officers or employees has been noticed or reported during the year.

11. According to the information and explanations given to us, the managerial remuneration paid during the year is in compliance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013.
12. As the Company is not a Nidhi Company in terms of the provisions of the Companies Act, 2013 read with Nidhi Rules, 2014, the matters to be reported under clause (xii) are not applicable.
13. According to the information and explanations given to us, in respect of the transactions with the related parties, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013, wherever applicable. In our opinion, the details as required by the applicable accounting standards have been disclosed in the financial statements for the year under review.
14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence, reporting requirement on compliance with Section 42 of the Companies Act, 2013 and purpose of application of the funds so raised is not applicable.
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, 2013 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.

For G NAGENDRASUNDARAM & CO
CHARTERED ACCOUNTANTS
(FRN 005355S)

B.N. BHARATHI
PARTNER

M.NO.236639

UDIN:20236639AAAAAS7253

Place : Hyderabad
Date : 12th June, 2020

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, 2020 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, 2020, 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 NAGENDRASUNDARAM & CO
CHARTERED ACCOUNTANTS
(FRN 005355S)

B.N. BHARATHI
PARTNER
M.NO.236639
UDIN:20236639AAAAAS7253

Place : Hyderabad
Date : 12th June, 2020

**BALANCE SHEET AS AT MARCH 31, 2020**

(All Figures in ₹)

Particulars	Note No.	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
I. ASSETS			
1. NON-CURRENT ASSETS			
a. Property, Plant and Equipment	4	44,73,58,281	44,56,29,963
b. Capital Work-in-progress	5	2,14,68,504	2,11,64,740
c. Intangible Assets	6	12,93,511	19,40,265
d. Financial Assets			
i. Other Financial Assets	7	59,21,236	60,86,236
e. Deferred tax assets(net)	8	3,65,03,502	3,50,68,748
f. Other non current assets	9	1,41,19,374	1,02,69,640
		52,66,64,408	52,01,59,592
2. CURRENT ASSETS			
a. Inventories	10	21,33,01,741	22,63,84,158
b. Financial Assets			
i. Trade Receivables	11	6,37,15,634	10,74,02,908
ii. Cash and Cash Equivalents	12	2,60,67,080	7,33,064
iii. Bank Balances others	13	25,88,289	1,02,69,226
iv. Others financial asset	14	3,45,803	13,27,700
c. Other Current Assets	15	3,84,39,150	4,35,67,205
		34,44,57,696	38,96,84,261
TOTAL		87,11,22,104	90,98,43,853
II EQUITY AND LIABILITIES			
1. EQUITY			
a. Equity Share Capital	16	10,18,25,060	10,18,25,060
b. Other Equity	17	40,10,22,266	41,85,04,924
		50,28,47,326	52,03,29,984
2. NON-CURRENT LIABILITIES			
a. Financial Liabilities			
I. Borrowings	18	2,00,08,307	79,51,331
b. Provisions	19	32,94,909	10,92,654
c. Other Non Current Liabilities	20	3,81,18,541	3,01,32,494
		6,14,21,757	3,91,76,479
3. CURRENT LIABILITIES			
a. Financial Liabilities			
i. Borrowings	21	16,45,54,007	17,23,22,002
ii. Trade Payables	22	11,18,02,368	15,94,17,768
iii. Other Financial Liabilities	23	1,77,60,604	22,76,942
b. Other Current Liabilities	24	71,34,226	95,37,780
c. Provisions	25	40,77,786	11,44,784
d. Current tax liabilities	26	15,24,032	56,38,110
		30,68,53,022	35,03,37,386
TOTAL		87,11,22,104	90,98,43,849

The accompanying notes form an integral part of these 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
Date: 12th June 2020

SIDDHARTH DUBEY
COMPANY SECRETARY

K.UMA KUMARI
C F O

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2020****a) Share Capital**

(All Figures in ₹)

Balance as on March 31, 2019	10,18,25,060
Balance as on March 31, 2020	10,18,25,060

b) Other Equity

(All Figures in ₹)

Particulars	Securities premium account	Revaluation reserve	Investment subsidy	General reserve	Retained earnings	TOTAL
Balance at the beginning of the reporting period April 1, 2018	23,71,50,000	83,36,793	10,00,000	9,13,43,660	7,41,45,134	41,19,75,587
Total comprehensive income					1,88,04,880	1,88,04,880
Dividends (including tax)					(1,22,75,543)	(1,22,75,543)
Balance at the beginning of the reporting period April 1, 2019	23,71,50,000	83,36,793	10,00,000	9,13,43,660	8,06,74,471	41,85,04,924
Total comprehensive income					95,23,560	95,23,560
Dividends (including tax)					(2,70,06,218)	(2,70,06,218)
Balance at the end of the reporting period Mar 31, 2020	23,71,50,000	83,36,793	10,00,000	9,13,43,660	6,31,91,813	40,10,22,266

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
Date: 12th June 2020

SIDDHARTH DUBEY
COMPANY SECRETARY

K.UMA KUMARI
C F O


STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All Figures in ₹)

Particulars	Note No.	Year ended March 31 , 2020	Year ended March 31, 2019
1. REVENUE			
Revenue from Operations	27	70,84,58,245	71,55,62,262
Other Income	28	57,00,130	39,75,725
Total Revenue		71,41,58,375	71,95,37,988
2. EXPENSES			
a. Cost of Materials Consumed		33,35,02,109	39,81,55,172
b. Changes in Inventories of Finished Goods			
Work-in-Progress and Stock-in-Trade	29	19,87,829	(5,55,26,541)
c. Employee Benefit Expense	30	9,76,23,718	9,44,01,121
d. Finance Costs	31	2,46,53,335	2,70,97,451
e. Depreciation & amortisation expenses	32	3,44,58,468	3,41,41,716
f. Other Expenses	33	20,86,15,552	20,43,47,588
Total Expenses		70,08,41,010	70,26,16,506
3. Profit for the year before exceptional items & tax		1,33,17,365	1,69,21,482
4. Exceptional Items	34	21,53,943	-
5. Profit Before Tax		1,11,63,421	1,69,21,482
6. Tax Expense			
a. Current Tax (MAT)		14,34,754	35,60,365
Less: MAT Credit Entitlement		(14,34,754)	(35,60,365)
Net Current Tax		-	-
b. Tax Pertaining to Earlier Years		(13,85,430)	-
Less: MAT Credit Entitlement		-	-
		(13,85,430)	-
		-	-
7. Profit for the year		1,25,48,851	1,69,21,482
8 Other Comprehensive Income (net)		-	-
Items that will not be reclassified to P&L a/c			
Remeasurement of defined benefit plan		(30,25,291)	18,83,398
Current Tax (MAT)		-	3,87,731
Less: MAT Credit Entitlement		-	(3,87,731)
		(30,25,291)	18,83,398
9 Total Comprehensive Income for the period (7 + 8)		95,23,560	1,88,04,880
10. Earnings Per Share			
Face Value Rs. 10/- per share			
i Basic		0.94	1.85
ii Diluted		0.94	1.85

The accompanying notes form an integral part of these 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
 Date: 12th June 2020

SIDDHARTH DUBEY
 COMPANY SECRETARY

K.UMA KUMARI
 C F O


CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(All Figures in ₹)

Particulars	As at March 31, 2020		As at March 31, 2019	
A. CASH FLOWS FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before tax and exceptional items		1,33,17,365		1,69,21,482
Exceptional items - income / (expenditure) *		(21,53,943)		-
Other comprehensive income (net)		(30,25,291)		18,83,398
Total comprehensive income before tax		81,38,130		1,88,04,880
Adjustments for				
Depreciation	3,38,11,714		3,34,94,960	
Amortisation of intangible assets	6,46,754		6,46,756	
Assets written off	21,53,943		-	
Interest income	(6,06,450)		(10,17,757)	
Interest expense	2,46,53,335		2,70,97,451	
		6,06,59,296		6,02,21,410
Operating profit before working capital changes		6,87,97,426		7,90,26,290
(Increase)/decrease in sundry debtors	4,36,87,274		3,35,66,941	
(Increase)/decrease in inventories	1,30,82,417		(5,44,17,148)	
(Increase)/decrease in loans & advances	85,06,397		(39,59,392)	
Increase/(decrease) in current liabilities	(3,93,70,286)		1,43,66,203	
Increase/(decrease) in Provision	22,02,255		53,882	
(Increase)/decrease in Other Financial Assets	1,65,000		(7,26,999)	
		2,82,73,058		(1,11,16,514)
Cash generated from operations		9,70,70,484		6,79,09,776
Income tax paid net of refunds		(41,14,078)		10,98,758
Income tax adjustment relating to previous year		13,85,430		-
Net cash flow from operating activities (A)		9,43,41,835		6,90,08,534
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(3,79,97,739)		(2,90,78,567)	
Sale proceeds of fixed assets	-		-	
Interest received	6,06,450		10,17,757	
Net cash flow from investing activities (B)		(3,73,91,289)		(2,80,60,810)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment/proceeds of long-term borrowings	1,20,56,976	-	(4,68,477)	
(Increase)/decrease in working capital borrowings	-		-	
Repayment of interest free sales tax loans	79,86,047		(9,55,340)	
Dividend payment	(2,70,06,218)		(1,22,75,543)	
Interest paid	(2,46,53,335)		(2,70,97,451)	
Net cash flow used in financing activities (C)		(3,16,16,530)		(4,07,96,811)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		2,53,34,017		1,50,912
Cash and cash equivalents as at the beginning of the period		7,33,064		5,82,151
Cash and cash equivalents at end of the period		2,60,67,081		7,33,064
Cash and cash equivalents				
Cash on hand		8,27,645		3,98,861
Balances with banks in current account		2,52,39,435		3,34,203
Total		2,60,67,080		7,33,064

Notes to the cash flow statement for the year ended March 31, 2020

1. This statement is prepared as per Ind AS-7(Indirect method).
2. 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
 Date: 12th June 2020

SIDDHARTH DUBEY
 COMPANY SECRETARY

K.UMA KUMARI
 C F O

**ALKALI METALS LIMITED****1. COMPANY OVERVIEW**

Alkali Metals Ltd. which was established in 1968, at Hyderabad, Telangana, India, as a closely held company, became a Public Listed company on 6th November 2008 being listed on BSE & NSE. Originally set up for manufacturing of Sodium Metal, the company subsequently diversified into manufacturing of Sodium derivatives, Pyridine derivatives, Fine Chemicals 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 as at and for the year ended March 31, 2020 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

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 rupee except share and earnings per share data.

iv. Use of Judgements, Estimates and Assumptions

The preparation of 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, income and expenses 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.
- 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 ₹ 5,000 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.

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. Appropriate provisions will be made for non / moving / slow – moving items.

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 Ind AS115 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 terms 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 of 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 are recognised on accrual basis.

vii. 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, ex-gratia 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.

viii. 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.

ix. 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.

x. 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

xi. 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.

xii. 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.

xiii. Claims

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


4. PROPERTY, PLANT AND EQUIPMENT

(All figures in ₹)

S. No	Description	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount	
		As on April 1, 2019	Additions	Adjustments/deletions	As on March, 31, 2020	For the period	Adjustments/deletions	As on March, 31, 2020	As on March 31, 2019
1	Land	6,82,62,761	9,67,500	-	6,92,30,261	-	-	6,92,30,261	6,82,62,761
2	Building	21,71,03,723	1,05,99,330	-	22,77,03,053	86,85,177	-	15,17,60,776	14,98,46,623
3	Plant & Equipment	37,88,76,104	2,17,87,337	-	40,06,63,441	1,75,50,269	-	19,23,40,666	18,81,03,597
4	Pollution Control Equipment	73,18,829	-	33,810	72,85,019	2,50,999	-	68,31,260	7,38,568
5	Vehicles	34,06,071	14,30,000	-	48,36,071	2,52,127	-	45,37,759	7,94,531
6	Furniture & Fixture	66,03,359	1,05,000	54,590	66,53,769	5,83,434	-	35,85,244	41,18,268
7	Lab Equipment	87,82,234	10,09,236	86,118	97,05,352	2,57,636	-	24,19,090	17,53,608
8	Office Equipment	20,07,277	-	2,86,701	17,20,576	1,10,332	-	4,35,410	8,32,443
9	Computers	11,37,972	5,55,573	2,54,602	14,38,943	1,77,205	-	6,38,839	5,15,073
10	R & D Equipment	10,54,04,371	12,40,000	3,62,773	10,62,81,598	34,51,581	-	2,21,74,178	2,47,48,532
11	R & D Lab Equipment	2,91,02,939	-	10,75,349	2,80,27,590	23,99,318	-	16,34,199	51,08,866
12	Safety Equipment	38,14,861	-	-	38,14,861	93,636	-	7,13,456	8,07,092
	Total	83,18,20,502	3,76,93,975	21,53,943	86,73,60,534	3,38,11,714	-	42,00,02,252	44,56,29,963
	Carrying Value as of March 31, 2019	81,82,96,933	1,35,23,569	-	83,18,20,502	3,34,94,960	-	44,56,29,963	46,56,01,354

5. CAPITAL WORK-IN-PROGRESS

(All figures in ₹)

	March 31, 2020	March 31, 2019
Civil Works in Progress	1,82,81,283	1,70,20,738
Other Assets	31,87,221	41,44,002
Total	2,14,68,504	2,11,64,740

6 INTANGIBLE ASSETS

(All figures in ₹)

Description	Gross Carrying Amount			Accumulated Amortization			Net Carrying amount	
	As on April 1, 2019	Adjustments/deletions	As on March 31, 2020	For the period	Adjustments/deletions	As on March 31, 2020	As on March 31, 2020	As on March 31, 2019
SAP Software Development	70,55,509	-	70,55,509	6,46,754	-	57,61,998	12,93,511	19,40,265
Total	70,55,509	-	70,55,509	6,46,754	-	57,61,998	12,93,511	19,40,265
Carrying Value as of March 31, 2019	70,55,509	-	70,55,509	6,46,756	-	51,15,244	19,40,265	25,87,021

7. OTHER FINANCIAL ASSETS (All figures in ₹)

	March 31, 2020	March 31, 2019
Security Deposits	59,21,236	60,86,236
	59,21,236	60,86,236

8. DEFERRED TAX ASSETS (NET) (All figures in ₹)

	March 31, 2020	March 31, 2019
MAT Credit Entitlement	3,65,03,502	3,50,68,748
	3,65,03,502	3,50,68,748

9. OTHER NON CURRENT ASSETS (All figures in ₹)

	March 31, 2020	March 31, 2019
Prepaid Taxes	2,11,767	3,58,640
Capital Advances	1,39,07,607	99,11,000
	1,41,19,374	1,02,69,640

Disclosure: The capital advances includes an amount of ₹ 138.97 Lakhs (₹ 99.00 Lakhs) paid to related parties.

10. INVENTORIES (All figures in ₹)

	March 31, 2020	March 31, 2019
Valued at Cost or Realisable Value, whichever is lower (As Certified by Management)		
Raw Materials	3,71,00,458	6,46,78,167
Work-in-progress	14,88,76,252	15,08,64,079
Stores, spares, fuels and consumables	1,27,57,720	1,12,88,208
Stock in Transit(Raw-Material)	1,59,83,338	-
	21,47,17,768	22,68,30,454
Less: Provision for Slow-Moving Raw Materials	(14,16,027)	(4,46,296)
	21,33,01,741	22,63,84,158

11. TRADE RECEIVABLES (All figures in ₹)

	March 31, 2020	March 31, 2019
Unsecured, Considered Good	6,37,15,634	10,74,02,908
	6,37,15,634	10,74,02,908

12. CASH AND CASH EQUIVALENTS (All figures in ₹)

	March 31, 2020	March 31, 2019
a. Balances with Banks		
Current Accounts	1,07,493	93,142
EEFC Account	2,51,31,942	2,41,061
b. Cash on Hand	8,27,645	3,98,861
	2,60,67,080	7,33,064

13. OTHER BANK BALANCES (All figures in ₹)

	March 31, 2020	March 31, 2019
Margin Money Deposit in Banks	20,52,266	96,59,603
Unpaid Dividend Accounts	5,36,023	6,09,623
	25,88,289	1,02,69,226

14. OTHERS FINANCIAL ASSET (All figures in ₹)

	March 31, 2020	March 31, 2019
Interest Receivable	3,45,803	13,27,700
	3,45,803	13,27,700

15. OTHER CURRENT ASSETS (All figures in ₹)

	March 31, 2020	March 31, 2019
Balances With Revenue Authorities	3,13,24,381	3,35,22,598
Prepaid Expenses	57,53,935	60,30,591
Advances to Suppliers	10,13,797	25,56,013
Other Advances	3,47,037	14,58,004
	3,84,39,150	4,35,67,205

16. SHARE CAPITAL (All figures in ₹)

	March 31, 2020	March 31, 2019
Authorized Share Capital		
15,000,000 Equity Shares of ₹. 10 Par Value	15,00,00,000	15,00,00,000
Issued, Subscribed and Paid-up Capital		
1,01,82,506 Equity Shares of ₹. 10 Par Value fully paid up	10,18,25,060	10,18,25,060
	10,18,25,060	10,18,25,060

Disclosures:

1. All the equity shares carry equal rights and obligations including for dividend and with respect to voting rights.
2. Names of shareholders holding more than 5% of the Share capital and their shareholding.

S.No.	Name of shareholder	March 31, 2020	March 31, 2019
1.	Sri. Y.S.R. Venkata Rao	69,04,715	69,04,715
	% of Holding	67.81%	67.81%

17. OTHER EQUITY

(All figures in ₹)

	March 31, 2020	March 31, 2019
1. Securities Premium		
Balance at the beginning and at the end of the year	23,71,50,000	23,71,50,000
2 Revaluation Reserve on Land		
Balance at the beginning and at the end of the year	83,36,793	83,36,793
3 Capital Reserve - Investment Subsidy		
Balance at the beginning of the year	10,00,000	10,00,000
Add: Amount received during the year	-	-
Balance at the end of the year	24,64,86,793	24,64,86,793
4 General Reserve		
Balance at the beginning of the year	9,13,43,660	9,13,43,660
Balance at the closing of the year	9,13,43,660	9,13,43,660
5 Surplus		
Balance of surplus in the statement of changes in Equity	6,31,91,813	8,06,74,471
Balance available for Appropriations	6,31,91,813	8,06,74,471
	40,10,22,266	41,85,04,924

18. BORROWINGS

(All figures in ₹)

	March 31, 2020	March 31, 2019
A. Unsecured:		
Long Term Debt from Banks (Refer Note 18.1)	37,52,545	-
Long Term Debt from Financial Institutions (Refer Note 18.1)	91,66,231	-
Deferred payment liability - Interest free sales tax loan (Refer Note 18.2)	70,89,531	79,51,331
	2,00,08,307	79,51,331

Disclosures:
1. Unsecured Loans

Particulars	Loan Amount Drawn (₹)	No. of Installments	% of Interest	Outstanding as on March, 31 2020 (₹)
Banks:				
Standard Chartered Bank	75,00,000	23	17.00	72,35,433
Non-Banking Financial Institutions				
Bajaj Finance	35,50,000	24	17.50	35,50,000
TATA Capital Financial Services	60,30,000	23	16.75	58,16,756
Magma Fincorp Ltd.	50,29,958	24	17.00	50,29,958
Fed Bank Financial Services Ltd.	30,00,000	23	16.50	28,93,642

2. Deferred payment liability - Interest free sales tax loan

The Company was sanctioned Interest Free Sales Tax Deferment of ₹ 34,585,650/- under Target – 2000 Scheme by the Government of Andhra Pradesh vide final eligibility Certificate No.LR 4/2001/0878/0878/ID dt.24-07-2001, for a period of 14 years starting from 20-03-1999 to 19-03-2013. The Company has availed itself of total Sales Tax Deferment of ₹ 26,979,010/- up to 31-03-2013 and the same is shown as liability in the Balance Sheet. The repayment is started from March, 2016 and the Company has made the payments as per the final eligibility certificate. Amount of ₹ 1,667,937/- payable in the financial year in 2019-20 has been paid in April 2020 due to lock down and an amount of ₹ 1,992,065/- payable in the financial year 2020-21 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. PROVISIONS

(All figures in ₹)

	March 31, 2020	March 31, 2019
Provision for Employee Benefits (Gratuity)	13,58,400	-
Provision for earned Leave Encashment (Non funded)	19,36,509	10,92,654
	32,94,909	10,92,654

20. OTHER NON-CURRENT LIABILITIES

(All figures in ₹)

	March 31, 2020	March 31, 2019
Deposit*	98,94,000	98,94,000
Deferred Govt. Grant (Note 18.2)	66,87,379	76,42,719
Other Advances	2,15,37,162	1,25,95,775
	3,81,18,541	3,01,32,494

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.

21. BORROWINGS

(All figures in ₹)

	March 31, 2020	March 31, 2019
Loans repayable on demand from Banks (Secured)		
Cash Credit facility	12,91,12,314	15,29,22,063
Export Packing Credit	3,54,41,693	1,93,99,939
	16,45,54,007	17,23,22,002

Disclosures:

a Terms and Conditions of Cash Credit

1	Period of maturity with reference to Balance Sheet date	Renewable every year	Renewable every year
2	Number of Installments due	Nil	Nil
3	Amount Outstanding	12,91,12,314	15,29,22,063
4	Rate of Interest	Base Rate plus 4.00%	Base Rate plus 3.75%
5	Overdue amount and period:	Nil	Nil
6	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 the immovable properties and personal guarantee of the Managing Director of the Company.		

**b Terms and Conditions of Export Packing Credit****EPC limit of ₹ 12 Crores is a sub limit to the Cash Credit limit of ₹ 18 Crores**

1	Amount Outstanding	3,54,41,693	1,93,99,939
2	Rate of Interest	Base Rate plus 4.00%	Base Rate plus 3.75%
3	Overdue amount and period:	Nil	Nil
4	Security: Working Capital Loan from bank and interest accrued on the loan are secured by hypothecation of present and future raw materials, work in progress, finished goods, stores and spares and book debts of the Company and a first charge on the immovable properties and personal guarantee of the Managing Director of the Company.		

22. TRADE PAYABLES

(All figures in ₹)

	March 31, 2020	March 31, 2019
Total outstanding dues of:		
Micro enterprises & Small Enterprises (MSE)	34,19,825	1,10,38,682
Payables other than MSE	10,83,82,542	14,83,79,086
	11,18,02,368	15,94,17,768

Details relating to micro enterprises and small enterprises

(All figures in ₹)

MSE	March 31, 2020	March 31, 2019
1 Principal amount outstanding	34,19,825	1,10,38,682
2 Interest outstanding at the beginning of the year	-	-
3 Amount of interest paid	-	-
4 Amount of interest due and payable for the period	2,95,784	-
5 Amount accrued and remaining unpaid at the end of the accounting year.	2,95,784	-

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.

23. OTHER FINANCIAL LIABILITIES - CURRENT

(All figures in ₹)

	March 31, 2020	March 31, 2019
Current Maturities of Long Term Debt (Refer Note no 18.1)	1,16,07,013	-
Current maturities of Deferred payment liability -		
Interest free sales tax loan (refer Note no.18.2)	36,60,001	16,67,937
Interest Accrued but not Due on Borrowings	19,57,567	-
Unpaid Dividends	5,36,023	6,09,005
	1,77,60,604	22,76,942

24. OTHER CURRENT LIABILITIES

(All figures in ₹)

	March 31, 2020	March 31, 2019
Statutory Dues Payable	18,12,520	61,43,504
Advance against Sales	53,21,705	33,94,276
	71,34,226	95,37,780

25. PROVISIONS

(All figures in ₹)

	March 31, 2020	March 31, 2019
Provision for earned Leave Encashment (Non funded)	1,87,041	87,450
Provision for Employee Benefits (Gratuity)	38,90,745	10,57,334
	40,77,786	11,44,784

26. CURRENT TAX LIABILITIES (NET)

(All figures in ₹)

	March 31, 2020	March 31, 2019
Current tax liabilities	15,24,032	56,38,110
	15,24,032	56,38,110

27. REVENUE FROM OPERATIONS

(All figures in ₹)

	March 31, 2020	March 31, 2019
Sale of Products	70,16,93,345	70,41,63,342
Other Operating Revenue	67,64,900	1,13,98,920
	70,84,58,245	71,55,62,262

28. OTHER INCOME

(All figures in ₹)

	March 31, 2020	March 31, 2019
1. Interest earned	6,06,450	10,17,757
2. Other Non-operating Income		
a. Gain on Foreign Currency Translation and Transactions	33,52,042	20,02,628
b. Miscellaneous receipts	3,92,266	-
c. Balances / Excess Provisions written back	3,94,032	-
d. Deferred government grant written back	9,55,340	9,55,340
	57,00,130	39,75,725

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

(All figures in ₹)

	March 31, 2020	March 31, 2019
1. Work in Progress		
a. Opening Stock	15,08,64,079	9,53,37,537
b. Closing Stock	14,88,76,250	15,08,64,079
Decrease / (Increase)	19,87,829	(5,55,26,541)
Total Decrease / (Increase)	19,87,829	(5,55,26,541)

30. EMPLOYEE BENEFITS EXPENSE

(All figures in ₹)

	March 31, 2020	March 31, 2019
Salaries & Wages	9,05,78,086	8,80,56,420
Contribution to Provident and Other Funds	48,13,556	41,95,305
Staff Welfare Expenses	22,32,076	21,49,396
	9,76,23,718	9,44,01,121

31. FINANCE COSTS (All figures in ₹)

	March 31, 2020	March 31, 2019
Interest	2,29,97,625	2,58,66,735
Interest on Income Tax	89,278	2,55,092
Other Borrowing Costs	15,66,432	9,75,624
	2,46,53,335	2,70,97,451

32. DEPRECIATION AND AMORTIZATION EXPENSE (All figures in ₹)

	March 31, 2020	March 31, 2019
Depreciation of tangible assets	3,38,11,714	3,34,94,960
Amortisation of intangible assets	6,46,754	6,46,756
	3,44,58,468	3,41,41,716

33. OTHER EXPENSES (All figures in ₹)

	March 31, 2020	March 31, 2019
Consumption of Stores and Spares	3,28,59,013	3,16,66,477
Provision for slow moving raw material	9,69,731	
Power & Fuel	7,97,49,644	8,34,16,727
Rent	25,01,000	8,33,690
Repairs to Buildings	36,44,030	44,98,223
Repairs to Machinery	1,17,01,490	1,18,17,276
Insurance	31,99,903	20,96,697
Production & Processing charges	80,36,313	86,01,938
Rates and Taxes	30,93,470	27,12,313
R & D	87,88,646	90,94,817
Freight on Sales	1,82,49,772	1,77,77,837
Miscellaneous Expenses	3,58,22,541	3,18,31,594
	20,86,15,552	20,43,47,588

34. EXCEPTIONAL ITEMS (All figures in ₹)

	March 31, 2020	March 31, 2019
Assets Write-off	21,53,943	-
	21,53,943	-

35. 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: (All figures in ₹)

Particulars	March 31, 2020	March 31, 2019
Sewerage cess claimed by HMWS & SB	-	3,863,208
Customs Duty - Unfulfilled Export Obligation if any	11,892,067	27,615,620
Show cause notice received – GST Visakhapatnam	197,320	-

B. Commitments (All figures in ₹)

Particulars	March 31, 2020	March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	18,736,204	20,268,968

36. DISCLOSURE AS PER IND AS – 12 INCOME TAX
A. Income tax assessments

The company's income tax assessments were completed upto AY 2017 - 2018

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

(All figures in ₹)

Particulars	March 31, 2020	March 31, 2019
Difference in WDV of PPE and Intangible assets	(196,275,006)	(201,836,313)
Carried forward losses	22,18,87,500	255,842,737
Post-Employment Benefits	7,372,696	4,982,753
Other disallowances	4,004,469	-
Net Deferred Taxes Assets / (Liabilities)	36,989,659	58,989,177
Deferred Taxes Asset there on at applicable rates	10,290,523	16,410,789

37. 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 tried up, accounting adjustments have been made wherever found necessary.

38. DISCLOSURES AS PRESCRIBED BY INDIAN ACCOUNTING STANDARD (IND AS)
38.1 DISCLOSURE AS PER IND AS-7

Statement of reconciliation for changes in liabilities arising from financial activities

(All figures in ₹)

Particulars	Working capital borrowings	Interest free sales tax loan	Unsecured loans
Opening balance	172,322,002	9,619,268	-
Borrowed during the year	-	-	25,109,958
Repaid during the year	(7,767,995)	-	(584,169)
Net movement	(7,767,995)	-	(5,84,169)
Closing balance	164,554,007	9,619,268	24,525,789

38.2 DISCLOSURE AS PER IND AS-19 – EMPLOYEE BENEFITS
A. Defined Contribution Plan

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

(All figures in ₹)

Particulars	March 31, 2020	March 31, 2019
Employer's Contribution to Provident Fund	3,209,609	2,677,739
Employer's Contribution to ESI	619,014	478,333

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)

(All figures in ₹)

Particulars	March 31, 2020	March 31, 2019
Present value of obligation	21,370,253	16,303,990
Fair value of plan assets	16,121,109	15,246,657
Net asset / (liability)	5,249,144	1,057,333

Expense recognised during the period

(All figures in ₹)

Particulars	March 31, 2020
In Income statement (P&L a/c – expense provision)	984,240
In other comprehensive income (Balance sheet item)	3,207,571

Changes in the present value of obligation

(All figures in ₹)

Particulars	March 31, 2020	March 31, 2019
Present value of obligations as at the beginning	16,303,990	15,386,695
Interest cost	1,078,387	1,111,770
Current Service Cost	941,603	954,489
Past service cost – (Vested benefits)	-	-
Benefits Paid	(179,740)	(438,595)
Actuarial (Gain) / Loss on obligation	3,226,013	(710,369)
Present value of obligations as at the end	21,370,253	16,303,990
Bifurcation of net liability		
Current liability (Short Term)	3,890,745	3,264,121
Non-current liability (Long Term)	17,479,508	13,039,869
Net liability	5,249,144	1,057,333

Changes in the fair value of plan assets

(All figures in ₹)

Particulars	March 31, 2020	March 31, 2019
Fair value of plan assets as at the beginning	15,246,657	13,723,383
Adjustment to opening Fair value of plan asset	-	-
Return on plan assets excluding Interest Income	18,442	(100,903)
Contribution by Employer	-	1,034,990
Interest Income	1,035,750	1,027,782
Benefits Paid	(179,740)	(438,595)
Fair value of plan assets as at the end	16,121,109	15,246,657

Expense recognised in the Income Statement

(All figures in ₹)

Particulars	March 31, 2020
Current Service Cost	941,603
Past Service Cost	-
Interest Cost	42,637
Expense recognised in the Income statement	984,240

Other Comprehensive Income

(All figures in ₹)

Particulars	March 31, 2020
Actuarial (gains) / losses	
Actuarial (gains) / losses on obligations	3,226,013
Actuarial (gains) / losses on plan assets	(18,442)
Total OCI	3,207,571

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

(All figures in ₹)

Particulars	March 31, 2020	March 31, 2019
Present value of obligation	1,180,104	1,258,945
Fair value of plan assets	-	-
Surplus / (deficit)	(943,446)	(78,841)
Net asset / (liability)	2,123,550	1,180,104

Expense recognised during the period

(All figures in ₹)

Particulars	March 31, 2020
In Income statement (P&L a/c – expense provision)	1,125,726

Changes in the present value of obligation

(All figures in ₹)

Particulars	For the period ending	
	March 31, 2020	March 31, 2019
Present value of obligations as at the beginning	1,180,104	1,258,945
Interest cost	83,524	92,281
Current Service Cost	1,042,202	1,102,810
Benefits Paid	-	-
Actuarial (Gain) / Loss on obligation	(182,280)	1,273,932
Present value of obligations as at the end	2,123,550	1,180,104
Bifurcation of net liability		
Current liability (Short Term)	187,041	87,450
Non-current liability (Long Term)	1,936,509	1,092,654
Net liability	2,123,550	1,180,104

Changes in the fair value of plan assets

(All figures in ₹)

Particulars	For the period ending	
	March 31, 2020	March 31, 2019
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

(All figures in ₹)

Particulars	March 31, 2020
Current Service Cost	1,042,202
Past Service Cost	-
Interest Cost	83,524
Expense recognised in the Income statement	1,125,726

III. Actuarial assumptions

Particulars	Gratuity (Funded) 2019-20	Leave Encashment (Non-funded) 2019-20	Gratuity (Funded) 2018-19	Leave Encashment (Non-funded) 2018-19
Mortality Table (LIC)	6.14%	6.55%	7.35%	7.35%
Discount rate (per annum)	3.00%	3.00%	3.00%	3.00%
Expected rate of return on plan assets (Per annum)	9.61	8.27%	9.74%	8.77%
Rate of escalation in salary (per annum)	5%	5%	5%	5%

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.

38.3 DISCLOSURE AS PER IND AS – 21 – THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES
Un-hedged foreign currency exposure at the year end

(All figures in ₹)

Particulars	March 31, 2020	March 31, 2019
Trade payables	40,721,561	48,399,435
Trade receivables	40,067,722	64,067,801

Particulars	March 31, 2020	March 31, 2019
a. Exchange differences arising out of settlement / translation on account of export sales for the year	537,632	2,791,842
b. Exchange differences arising out of settlement / translation on account of imports for the year	494,715	(122,869)
c. Exchange differences arising out of settlement / translation on account of others	2,319,695	(666,345)
Net gain / (loss) recognised during the year	3,352,042	2,002,628

38.4 DISCLOSURE AS PER IND AS – 33 EARNING PER SHARE

(All figures in ₹)

Particulars	March 31, 2020	March 31, 2019
Total No. of Shares	10,182,506	10,182,506
Profit after Taxes and exceptional items	9,523,560	18,804,880
Earning per share Basic & Diluted (₹10 per share)	0.94	1.85

38.5 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 (All figures in ₹)

Geographical Location	March 31, 2020		March 31, 2019	
	₹	%	₹	%
Domestic	372,624,672	52.60	413,012,260	57.72
External	335,833,573	47.40	302,550,002	42.28
Total	708,458,245	100	715,562,262	100.00

b. Segment Assets (Trade Receivables) (All figures in ₹)

Geographical Location	March 31, 2020		March 31, 2019	
	₹	%	₹	%
Domestic	23,647,912	37.11	43,335,107	40.35
External	40,067,722	62.89	64,067,801	59.65
Total	63,715,634	100.00	107,402,908	100.00

c. Other Disclosures (All figures in ₹)

Geographical Location	Carrying Amount of Segment Assets		Additions to Fixed Assets	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Unallocable Assets	831,054,382	845,776,052	37,693,975	13,523,569

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.

38.6 DISCLOSURE AS PER IND AS – 24 – RELATED PARTY DISCLOSURES

Directors' interested Companies	Asian Herbex Ltd
	Zigna Analytics Pvt Ltd
	CDC Industrial Infrass Ltd
Key Management Personnel	
Sri Y.S.R. VenkataRao	Managing Director
Ms. K. Uma Kumari	Chief Financial Officer
Mr. SiddharthDubey	Company Secretary (Appointed on 03.08.2019)
Ms. M. Neeharika	Company Secretary (resigned on 18.04.2019)
Non - Key Management Personnel	
Mr. Y.V.Prashanth	Director
Ms. LalithyaPoorna. Y	Director
Ms. Lalitha Devi	Relative of Director
Mr. J. S. Yadav	Chairman & Independent Director
Mr. Jayaraman G	Independent Director
Mr. PrakashRao .K.V.S	Independent Director

Disclosure of transactions with related parties

(All figures in ₹)

S.No	Nature of Relationship	Nature of Transaction	Transactions During The Year
1	Directors' interested Companies	Rent Paid	369,000
		Sales Commission Paid	2,600,680
		Consideration for Capital Equipment	21,782,000
2	Key Managerial Personnel	Remuneration Paid	9,516,047
		Commission on profits Paid	592,247
		Rent Paid	569,000
3	Non - Key Managerial Personnel	Rent Paid	11,07,000
		Sitting Fees Paid	900,000

38.7 FINANCIAL INSTRUMENTS
A) 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.

B) Financial instruments by category

The carrying and fair value of financial instruments by categories of March 31, 2020 and March 31, 2019 were as follows

(All figures in ₹)

Particulars	March 31, 2020			March 31, 2019		
	Amortised Cost	Total Carrying Value	Total Fair Value	Amortised Cost	Total Carrying Value	Total Fair Value
Assets						
Cash and cash equivalents	26,067,080	26,067,080	26,067,080	733,064	733,064	733,064
Other bank balances	2,588,289	2,588,289	2,588,289	10,269,226	10,269,226	10,269,226
Trade receivables	63,715,634	63,715,634	63,715,634	107,402,908	107,402,908	107,402,908
Other financial assets	6,267,039	6,267,039	6,267,039	7,413,936	7,413,936	7,413,936
Total	98,638,401	98,638,401	98,638,401	125,819,134	125,819,134	125,819,134
Liabilities						
Trade payables	111,802,368	111,802,368	111,802,368	159,417,768	159,417,768	159,417,768
Borrowings	184,562,314	184,562,314	184,562,314	180,273,333	180,273,333	180,273,333
Other financial liabilities	17,760,604	17,760,604	17,760,604	2,276,942	2,276,942	2,276,942
Total	314,125,286	314,125,286	314,125,286	341,968,043	341,968,043	341,968,043

C) 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 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 unhedged when the local currency is appreciating against the foreign currency.

The following table analyzes foreign currency risk from financial instruments:

Particulars	As of March 31, 2020		As of March 31, 2019	
	USD	Euro	USD	Euro
Trade receivables	537,857	-	926,219	-
Other financial assets		-	-	-
Trade payables	543,216	-	699,704	-
Other financial Liabilities		-	-	-
Net assets (liabilities)	-5,359	-	226,515	-

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments when counterparty 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, 2020, the Company had a working capital of ₹ 376.04 Lakhs including cash and cash equivalents of ₹ 260.67 Lakhs. As of March 31, 2019, the Company had a working capital of ₹ 393.47 Lakhs including cash and cash equivalents of ₹ 7.33 Lakhs.

As of March 31, 2020, and March 31, 2019, the outstanding gratuity were ₹ 213.70 Lakhs and ₹ 163.04 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.

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

(All figures in ₹)

Particulars	2019- 2020	2018- 2019
Statutory Audit	550,000	550,000
Taxation Matters	1,80,000	90,000
Other Services	134,000	61,000

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

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
Date: 12th June 2020

SIDDHARTH DUBEY
COMPANY SECRETARY

K.UMA KUMARI
C F O





Regd Post

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ISO 9001 & 14001,
API COMPANY
AND EXPORT HOUSE**



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