

Dt. 28th September, 2017

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001.
Phones: 91-22-22721233/4, 91-22-66545695 (Hunting)
Fax: 91-22-22721919

Scrip Code: 500284

Sub: Copy of Annual Report of 38th Annual General Meeting of Lords Chloro Alkali Limited

Dear Sir,

Pursuant to provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith a copy of 38th Annual Report of the Company duly approved and adopted by the members of the Company in the 38th Annual General Meeting of the Company held on Wednesday, 27th September, 2017.

Request you to take the same on your record.

Thanking You,

Yours Faithfully,
For Lords Chloro Alkali Limited


Rajiv Kumar
CFO



Encl: As above.



38th
Annual Report
2016 - 2017

LORDS CHLORO ALKALI LIMITED

CONTENTS

Notice

1

Board's Report

18

Corporate Governance Report

50

Independent Auditor's Report

63

Balance Sheet

72

Profit & Loss Account

73

Cash Flow Statement

74

Significant Accounting Policies & Practices

75

Notes to Financial Statements

79

Board of Directors

Shri Rakesh Ahuja	Non Executive Director
Shri Madhav Dhir	Executive Director
Shri Yuvraj Ahuja	Non Executive Director
Shri Ajay Virmani	Managing Director
Shri Rajbir Singh Makhni	Independent Director
Shri Pawan Kumar Nayyar	Independent Director
Shri Sandeep Chaudhari	Independent Director
Shri Chandra Shakher Pathak	Independent Director
Mrs. Poonam Rawat	Independent Director
Shri Shiv Dutt Sharma	Independent Director
Shri Deepak Mathur	Director (Technical)

Company Secretary & Compliance Officer

Shri Rohit Verma

Chief Financial Officer

Shri Rajiv Kumar

Statutory Auditors

M/s. Gupta Vigg & Co.
Chartered Accountants,
E-61, Lower Ground Floor,
Kalkaji, New Delhi-110019.

Secretarial Auditor

M/s. SKP & Co.,
Company Secretaries,
2F CS 03, Ansal Corporate Suites,
Ansal Plaza, Sector 1, Vaishali,
Ghaziabad 201010

Cost Auditors

M/s Goyal, Goyal & Associates
Cost Accountants,
G-14, Lower Ground Floor,
Lajpat Nagar 3, New Delhi – 110024

Registrar & Share Transfer Agent

M/s. Alankit Assignments Limited
“Alankit Heights” (RTA Division),
1E/13, Jhandewalan Extn.
New Delhi – 110055
Ph No: 011-42541234 &23541234
Fax No.: 011-41543474

Registered Office &
Plant

SP-460, Matsya Industrial Area,
Alwar-301030 (Rajasthan).
Ph. No.: 0144-3202817
Fax No.: 0144-2881360

Corporate Office

A-264, 1st Floor, Defence Colony,
New Delhi-110024.
Ph. No.: 011-46865999
Fax No: 011-46865930
E-mail: secretarial@lordschloro.com
Website: www.lordschloro.com

NOTICE

NOTICE is hereby given that the 38th Annual General Meeting of the Members of **LORDS CHLORO ALKALI LIMITED** will be held on Wednesday, 27th September 2017 at 10.30 a.m. at the registered office at SP-460, Matsya Industrial Area, Alwar (Rajasthan) - 301030 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on 31st March, 2017 and the reports of the Board of Directors and Auditors thereon.
2. To appoint Shri Rakesh Ahuja (DIN: 00224315), who retires by rotation at this meeting and being eligible has offered himself for re-appointment.
3. To ratify the appointment of Statutory Auditor of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in line with the resolution passed by the shareholders in their 37th Annual General Meeting (AGM) held for the F/Y 2015-16 appointing of M/s. Gupta Vigg & Co., Chartered Accountants (FRN:001393N) for a period of Five years and pursuant to the provisions of section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or amendments or re-enactments thereof for the time being in force), the members of the Company hereby ratifies their appointment as statutory auditor of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of 39th Annual General Meeting of the Company to be held for the financial year 2017-18, at such remuneration, reimbursement of out-of-pocket expenses, travelling and other expenses incurred in connection with audit to be carried out by them, as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

4. **To re-appoint Shri Rajbir Singh Makhni as an Independent Director of the Company.**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and such other applicable provisions of the

Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force), Shri Rajbir Singh Makhni (DIN: 01161473), who was appointed as an independent director in the 35th AGM and who holds office of Independent Director upto 29th September, 2017 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from September 30, 2017.”

5. To re-appoint Shri Pawan Kumar Nayyar as an Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force), Shri Pawan Kumar Nayyar (DIN: 01798719), who was appointed as an independent director in the 35th AGM and who holds office of Independent Director upto 29th September, 2017 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from September 30, 2017.”

6. To re-appoint Shri Sandeep Chaudhari as an Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of

Directors) Rules, 2014, and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force), Shri Sandeep Chaudhari (DIN: 02719351), who was appointed as an independent director in the 35th AGM and who holds office of Independent Director upto 29th September, 2017 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from September 30, 2017.”

7. To re-appoint Shri Chandra Shakher Pathak as an Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force), Shri Chandra Shakher Pathak (DIN: 02973601), who was appointed as an independent director in the 35th AGM and who holds office of Independent Director upto 29th September, 2017 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from September 30, 2017.”

8. To re-appoint Mrs. Poonam Rawat as an Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of

Directors) Rules, 2014, and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force), Mrs. Poonam Rawat (DIN: 00821310), who was appointed as an independent director in the 35th AGM and who holds office of Independent Director upto 29th September, 2017 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from September 30, 2017.”

9. To re-appoint of Shri Shiv Dutt Sharma as an Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force), Shri Shiv Dutt Sharma (DIN: 03197973), who was appointed as an independent director in the 35th AGM and who holds office of Independent Director upto 29th September, 2017 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from September 30, 2017.”

10. To ratify the remuneration of the Cost Auditors for the Financial Year 2017-18.

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

“RESOLVED THAT pursuant to the provision of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the

members of the Company be and is hereby accorded for ratification of remuneration, as approved by the Board of Directors and set out in the statement annexed to the notice, to be paid to the Cost Auditors M/s. Goyal, Goyal & Associates, Cost Accountants, Delhi (FRN : 000100) appointed by the Board of Directors at their meeting held on 29th May, 2017 to conduct the audit of the cost records of the company for the Financial Year 2017-18.

11. To Approve Related Party Transactions.

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

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under and regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the consent of the members of the Company be and is hereby accorded to enter into the material related party transactions by the Company of the value of Rs. 25 Crores (Rupees Twenty Five Crores only) as per details as set out under item no. 11 of the Statement annexed to this notice and that the Board of Directors be and are hereby authorized to perform and execute all such deeds, matters and things including delegation of such authority as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto.

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

**Place: New Delhi
Date: 17-08-2017**

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

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxy Form should be lodged with the company at the registered office not later than 48 hours before the commencement of the above meeting i.e. by 10:30 a.m. of 25th September, 2017.

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

2. Corporate Members intending to send their authorised representative to attend the meeting are requested to send a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act, 2013, authorising their representative to attend & vote on their behalf at the AGM.
3. Members/ Proxies are requested to bring their copies of the Annual Report to the meeting.
4. In case of joint holders attending the meeting, only such joint holder whose name is higher in the order of names will be entitled to vote.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 23rd September, 2017 to Wednesday, 27th September, 2017 (both days inclusive).
6. Brief resume of Directors, those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, disclosure of relationships between directors inter-se, names of listed entities in which they also hold directorships and the membership of Committees of the board and shareholding of non-executive directors as stipulated under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as Secretarial Standard 2 issued by The Institute of Company Secretaries of India, are annexed to the Notice of AGM.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the company on all working days between 11.00 AM to 1.00 PM except Saturdays & Sundays upto the date of the AGM.

8. The Members are requested to notify promptly any change in their address to the Company's Registrar and Transfer Agent, M/s. Alankit Assignments Ltd. (RTA).
9. Pursuant to section 72 of the Companies Act, 2013, members holding shares in physical forms may file nomination in the prescribed Forms SH-13 with the Company's RTA. In respect of shares held in electronic / demat form, nomination form may be filed with the respective Depository Participants (DP).
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Transfer Agent (RTA), M/s. Alankit Assignments Ltd.
11. Members are informed that the Company is sending Annual Report through email to those members who have registered their E-mail address with the Company. For members who have not registered their email address, physical copy of the Annual Report are being sent in the permitted mode. Members may also note that the Annual Report for the FY 2016-17 will also be available on the Company's website www.lordschloro.com for their download.
- 12. Voting through electronic means**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 38th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

- IV. The remote e-voting period commences on Saturday 23rd September, 2017 (9:00 am) and ends on Tuesday 26th September, 2017 (5:00 pm). During this period member's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday 21st September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
- i. Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. If you are already registered with NSDL for e- voting then you can use your existing user ID and password.
 - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - iii. Click on Shareholder – Login
 - iv. Put your user ID and password. Click Login.
 - v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - vii. Select "EVEN" of "Lords Chloro Alkali Limited".
 - viii. Now you are ready for remote e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of

the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to awanishcorporate@gmail.com with a copy marked to evoting@nsdl.co.in.

- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] :

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No.+Folio No.).

- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Thursday 21st September, 2017.

- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Thursday 21st September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or the Company/Registrar and Share Transfer Agent.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Shri Awanish K. Dwivedi (C.P. No 9080), proprietor of M/s Awanish Dwivedi & Associates, Company Secretaries, New Delhi has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall 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 shall make, not later than 48 Hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.lordschloro.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

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

**Place: New Delhi
Date: 17-08-2017**

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

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

ITEM NO. 4 to 9

The Members of the Company, at the 35th Annual General Meeting held on September 30, 2014 had approved the appointments of Shri Rajbir Singh Makhni, Shri Pawan Kumar Nayyar, Shri Sandeep Chaudhari, Shri Chandra Shakher Pathak, Mrs. Poonam Rawat and Shri Shiv Dutt Sharma, respectively as an Independent Director on the Board of Directors of the Company pursuant to the provisions of section 149 of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014 and erstwhile clause 49 of the Listing Agreement with the Stock Exchange. They hold office as Independent Director of the Company up to 29th September, 2017 ("first term in line" with explanation to section 149(10) and 149(11) of the Act).

The Nomination and Remuneration Committee of the Board of Director, on the basis of the report of performance evaluation of Independent Directors, has recommended re-appointment of Shri Rajbir Singh Makhni, Shri Pawan Kumar Nayyar, Shri Sandeep Chaudhari, Shri Chandra Shakher Pathak, Mrs. Poonam Rawat and Shri Shiv Dutt Sharma as Independent Directors for a second term of 5 (Five) consecutive years on the Board of the Company.

Except Mr. Rajbir Singh Makhni, who holds 50,500 Equity Shares of the Company, none of the other appointee Directors have any holding in the company.

As per Section 149(10) of the Companies Act, 2013 (CA 2013), an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of up to five consecutive years on the Board of a Company. Section 149 (11) provides that an Independent Director may hold office for up to two consecutive terms.

In the opinion of the Board, all the appointee Directors fulfills the conditions specified in the Act. The Company has received notices in writing from a member along with the deposit of requisite amount under section 160 of the Act proposing the candidature of Shri Rajbir Singh Makhni, Shri Pawan Kumar Nayyar, Shri Sandeep Chaudhari, Shri Chandra Shakher Pathak, Mrs. Poonam Rawat and Shri Shiv Dutt Sharma for the office of independent directors of the Company.

The Company has also received declaration of independency from each such appointee directors that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under SEBI (LODR) Regulations, 2015.

Details of Directors whose re-appointment as Independent Directors is proposed at Item Nos. 4,5,6,7,8 and 9 are provided in the “Annexure” to the Notice pursuant to provisions of the Listing Regulations and Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Shri Rajbir Singh Makhni, Shri Pawan Kumar Nayyar, Shri Sandeep Chaudhari, Shri Chandra Shakher Pathak, Mrs. Poonam Rawat and Shri Shiv Dutt Sharma are interested in the resolutions set out respectively at Item Nos. 4, 5, 6, 7, 8 and 9 of the Notice with regard to their respective re-appointments.

Save and except the above, none of the other Directors/KMP of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

Accordingly, the Board recommends passing of the Resolutions set at Item No. 4 to 9 of the Notice as Special Resolutions.

ITEM NO. 10

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment & remuneration of the Cost Auditor M/s. Goyal, Goyal & Associates, Cost Accountants, New Delhi (FRN : 000100) to conduct the audit of the cost records of the Company for the financial year 2017-18 at a remuneration of Rs. 25,000/ (Rupees Twenty Five Thousand).

Pursuant to the provisions of section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members sought for passing an Ordinary Resolution as set out at item no. 10 of the notice for ratification of remuneration payable to the cost auditors for the financial year 2017-18.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution set out at item no. 10 of the notice.

Hence, your Directors recommend you to pass the proposed resolution as mentioned in item no. 10 of the notice, as an Ordinary Resolution.

ITEM NO. 11

Section 188 of the Companies Act, 2013 read with rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 requires to obtain shareholders’ approval for certain Related Party Transactions (RPT).

Your Company, therefore, pursuant to Section 188 of the Companies Act, 2013 read with rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 disclose the details of proposed RPT as under:

Sr. No.	Particulars/ Nature & material Terms of Transaction & duration	Name of Related Party	Name of Director/ KMP Who Is Related And Nature of Their Relationship	Amount (In Aggregate)
1.	Sale & Purchase of Hydrogen gas and allied products (for 10 Years)	Cirrus Chemicals Private Limited	<ul style="list-style-type: none"> - Mr. Rakesh Ahuja, Mr. Yuvraj Ahuja and Mr Madhav Dhir (<i>Indirectly related as their relatives are shareholders in Cirrus Chemicals Private Limited</i>) - Mrs. Poonam Rawat is a common Director; 	25 Crore (both sale & Purchase in aggregate) for each Financial Year separately.

As per Section 188(1) of the Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all material related party transactions shall require approval of shareholders through Ordinary Resolution and the Related Party shall abstain from voting on such resolution, whether the entity is a related party to the particular transaction or not.

The Board, therefore, recommends the Resolution set out at Item No. 11 of the Notice for the approval of the Members in terms of Regulation 23 (4) of the SEBI (LODR).

Except the above-mentioned Directors, None of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

Hence your Director recommend you to pass the proposed resolution as mentioned in Item No. 11 of the notice as an **Ordinary Resolution**.

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

Place: New Delhi
Date: 17-08-2017

(Ajay Virmani)
Managing Director
DIN: 00758726

Annexure to the Notice

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

Name of Director	Shri Rakesh Ahuja
Director Identification No.	00224315
Date of Birth	15/06/1962
Brief Resume	Shri Rakesh Ahuja, aged 55 years, is a Non-Executive Director and one of the Promoters of your Company. As a Non-Executive Director, he advises the management of the Company on all strategic matters relating to existing and future business of your Company.
Date of Appointment	28/03/2005
Expertise in Specific Functional Area	Businessman
Disclosure of relationships between directors inter-se	He is relative of Shri Yuvraj Ahuja, other Non-Executive Promoter Director of the Company.
Names of listed entities in which he holds the directorship as on 31.03.2017	Lords Chloro Alkali Limited
Names of listed entities in which he holds Membership of Committees of the board as on 31.03.2017	Lords Chloro Alkali Limited
No. of equity shares held as on 31.03.2017	33,31,447

Name of Director	Shri Rajbir Singh Makhni
Director Identification No.	01161473
Date of Birth	17/05/1958
Brief Resume	Shri Rajbir Singh Makhni, aged 59 years, is a Non-Executive Independent Director of your Company. As a Non-Executive Independent Director, he advises us on Financial Matters of your Company.
Date of Appointment	30/06/2010
Expertise in Specific Functional Area	Finance & Accounts
Disclosure of relationships between directors inter-se	He is not related to any of the Directors on the Board of the Company.
Names of listed entities in which he holds the directorship as on 31.03.2017	Lords Chloro Alkali Limited
Names of listed entities in which he holds Membership of Committees of the board as on 31.03.2017	Lords Chloro Alkali Limited
No. of equity shares held as on 31.03.2017	50,500

Name of Director	Shri Pawan Kumar Nayyar
Director Identification No.	01798719
Date of Birth	01/07/1958
Brief Resume	Shri Pawan Kumar Nayyar, aged 59 years, is a Non-Executive Independent Director of your Company. As a Non-Executive Independent Director, he advises us on all Financial matters relating to your Company.
Date of Appointment	30/07/2007
Expertise in Specific Functional Area	Financial Advisor
Disclosure of relationships between directors inter-se	He is not related to any of the Directors on the Board of the Company.
Names of listed entities in which he holds the directorship as on 31.03.2017	Lords Chloro Alkali Limited
Names of listed entities in which he holds Membership of Committees of the board as on 31.03.2017	Lords Chloro Alkali Limited
No. of equity shares held as on 31.03.2017	Nil

Name of Director	Shri Sandeep Chaudhari
Director Identification No.	02719351
Date of Birth	01/06/1966
Brief Resume	Shri Sandeep Chaudhari, aged 51 years, is a Non-Executive Independent Director of your Company. As a Non-Executive Independent Director, he advises us on all strategic matters relating to existing and future business of your Company.
Date of Appointment	22/06/2010
Expertise in Specific Functional Area	Businessman
Disclosure of relationships between directors inter-se	He is not related to any of the Directors on the Board of the Company.
Names of listed entities in which he holds the directorship as on 31.03.2017	Lords Chloro Alkali Limited
Names of listed entities in which he holds Membership of Committees of the board as on 31.03.2017	Lords Chloro Alkali Limited
No. of equity shares held as on 31.03.2017	Nil

Name of Director	Shri Chandra Shakher Pathak
Director Identification No.	02973601
Date of Birth	18/06/1971
Brief Resume	Shri C.S. Pathak, aged 46 years, is a Non-Executive Independent Director of your Company. As a Non-Executive Independent Director, he advises us on all matters relating to Finance and Accounts of your Company.
Date of Appointment	30/06/2010
Expertise in Specific Functional Area	Finance & accounts
Disclosure of relationships between directors inter-se	He is not related to any of the Directors on the Board of the Company.
Names of listed entities in which he holds the directorship as on 31.03.2017	Lords Chloro Alkali Limited
Names of listed entities in which he holds Membership of Committees of the board as on 31.03.2017	Lords Chloro Alkali Limited
No. of equity shares held as on 31.03.2017	Nil

Name of Director	Mrs. Poonam Rawat
Director Identification No.	00821310
Date of Birth	03/09/1978
Brief Resume	Mrs. Poonam Rawat, aged 39 years, is a Non-Executive Independent Director of your Company. As a Non-Executive Independent Director, he advises us on all Legal matters relating to your Company.
Date of Appointment	25/03/2012
Expertise in Specific Functional Area	Legal
Disclosure of relationships between directors inter-se	She is not related to any of the Directors on the Board of the Company.
Names of listed entities in which he holds the directorship as on 31.03.2017	Lords Chloro Alkali Limited
Names of listed entities in which he holds Membership of Committees of the board as on 31.03.2017	Lords Chloro Alkali Limited
No. of equity shares held as on 31.03.2017	Nil

Name of Director	Shri Shiv Dutt Sharma
Director Identification No.	03197973
Date of Birth	20/09/1944
Brief Resume	Shri Shiv Dutt Sharma, aged 73 years, is a Non-Executive Independent Director of your Company. As a Non-Executive Independent Director, he advises us on all startegic matters relating to your Company.
Date of Appointment	30/06/2010
Expertise in Specific Functional Area	B.E. (Civil)
Disclosure of relationships between directors inter-se	He is not related to any of the Directors on the Board of the Company.
Names of listed entities in which he holds the directorship as on 31.03.2017	Lords Chloro Alkali Limited
Names of listed entities in which he holds Membership of Committees of the board as on 31.03.2017	Lords Chloro Alkali Limited
No. of equity shares held as on 31.03.2017	Nil

BOARD'S REPORT**TO****THE MEMBERS,**

Your Directors are pleased to present the 38th Annual Report together with the Audited Financial Statements of the company for the Financial Year ended on 31st March, 2017

1. FINANCIAL PERFORMANCE**(Rs. in Lakhs)**

Particulars	For the year ended on 31st March, 2017	For the year ended on 31st March, 2016
Sales	12115.87	9778.20
Other Income	31.55	70.45
Operating Profit / (Loss) before Interest and Depreciation	1321.51	1376.64
Interest/ Finance Cost	201.65	153.35
Depreciation	436.33	275.28
Exceptional Items – Gain/ (Loss)	119.10	(2.40)
Profit/(loss) before tax	802.63	945.62
Provision for deferred tax assets (liability)	(437.28)	(196.20)
Net Profit / (Loss)	365.35	749.42

2. PERFORMANCE AND STATE OF COMPANY AFFAIRS

Your Company has increased its production capacity to 144 TPD and plans to increase the same substantially to 207 TPD in near future. Further, your Company has also carried out major revamp of the ASAHI and UHDE plant for making the entire production process energy efficient.

3. MARKETING

The domestic demand for Caustic Soda in 2016-17 was around 3.92 million TPA. Further, Caustic Soda Imports decreased by 18 % in comparison to 2015-16 resulting in better capacity utilization for domestic industry.

Your directors are pleased to inform you that the CIF price for caustic import has also jumped from around \$380 to \$500 due to increase in demand from around the world. This will have a positive effect on domestic prices resulting in better profitability for the company.

The Indian economy is growing at a healthy rate of around 7% and the pace may quicken up after some time due to better business climate being foreseen due to GST and other measures taken by the government.

4 FUTURE OUTLOOK

The economic parameters for the industry are looking good in the future with the government giving a big push to infrastructure and make in India. Caustic and Chlorine, the products of the company, are closely linked with the growth of the economy.

Looking at above factors the company is expanding capacity by installing the latest technology production facilities of 70 TPD. This will result in the installed capacity of the company being increased to 215 TPD. The company is also planning to start a project to make derivative of Chlorine in the near future to create more value add.

5. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of the Section 152 of Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of Company, Shri Rakesh Ahuja, Non-Executive Director, is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible has offered himself for reappointment. Appropriate resolution for his re-appointment is being placed for your approval at the ensuing AGM. The brief resume of Director and other related information has been detailed in the notice convening the 38th AGM of your Company. Your Directors recommend his re-appointment as a Non-Executive Director of the Company.

During the year under review, members had approved the appointment of Shri Madhav Dhir as Whole Time director of the Company for a period of three years w.e.f. 1st June, 2016.

During the year under review Mr. Santosh Kumar has been resigned from the post of Company Secretary w.e.f. 31st August, 2016.

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

The First term of Independent Directors Shri Rajbir Singh Makhni, Mrs. Poonam Rawat, Shri C.S. Pathak, Shri Sandeep Chaudhari, Shri Shiv Dutt Sharma and Shri Pawan Kumar Nayyar will expire on 29th September, 2017.

The Company has received declaration as required under section 152(4) of the Companies Act, 2013 and consent to act as Director from Shri Rajbir Singh

Makhni, Mrs. Poonam Rawat, Shri C.S. Pathak, Shri Sandeep Chaudhari, Shri Shiv Dutt Sharma and Shri Pawan Kumar Nayyar.

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

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

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

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

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186

During the year, there was no loan given, investment made, guarantees given or securities provided by the Company.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY:

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

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

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

9. STATUTORY AUDITORS

At the 37th AGM of your Company, the members had approved the appointment of M/s Gupta Vigg & Co., Chartered Accountants as Statutory Auditors of the

Company, to hold office till the conclusion of 42nd AGM subject to ratification by the members at every Annual General Meeting.

The Board of Directors of your Company at their meeting held on 29th May, 2017, have, on the recommendation of Audit Committee and subject to the approval of members, ratified the appointment of M/s Gupta Vigg & Co., Chartered Accountants as Statutory Auditors for the F/Y 2017-18 i.e. from conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting.

10. COST AUDITORS

The provisions of section 148 of the Companies Act, 2013, read with Rules 4 & 5 of the Companies (Cost Audit and Record) Rules, 2014, for maintenance of Cost Records, Cost Audit are applicable to the Company for the financial year 2017-18.

The Board of Directors of your Company at its meeting held on 29th May, 2017, have on the recommendation of Audit Committee, approved the appointment of M/s Goyal, Goyal & Associates, Cost Accountant as Cost Auditor of your Company to conduct the audit of cost records for the Financial Year 2017-18. The remuneration proposed to be paid to the Cost Auditor subject to your ratification at the 38th AGM will be Rs. 25,000/- (Rupees Twenty Five Thousand) for the F.Y. 2017-18.

11. SECRETARIAL AUDITOR

Pursuant to the provisions of section 204 of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company had appointed Shri Sundeeep Kumar Parashar, proprietor of M/s SKP & Co., Practising Company Secretary, to conduct Secretarial Audit of the Company for the financial year 2016-17. The Secretarial Audit Report for the financial year ended 31st March, 2017 is annexed herewith marked as **Annexure C** to this Report.

12. AUDITORS' OBSERVATIONS

In reference to the Comments mentioned in the Statutory Auditors Report for the year 2016-17, we wish to submit the following:

- (i) Company has not received all the records from old management. We are in the process of reconciliation the records. We shall deposit the whole amount in the Investor Education and Protection Fund (IEPF) as soon as records are reconciled.

During the year under review no fraud was reported by the statutory auditor of the company under section 143(12) of the Companies Act, 2013.

13. SAFETY, ENVIRONMENT PROTECTION & POLLUTION CONTROL

The company is well aware of its responsibility and obligation towards clean environment for trouble free operations and society at large. The company is one of the select few industries in India, which have online data transmission and monitoring with CPCB. The company has taken effective measures to recycle water and treatment of effluents. The company is regularly conducting safety drills within the factory and is also educating industries around it in industrial safety

14. DIVIDEND AND TRANSFER TO RESERVE

During the year, the Company has earned a profit of Rs. 365.35 Lakhs, however keeping in view the future needs, expansion plans and other fund requirements, your Board of Directors did not recommend any dividend for the financial year 2016-17 and the amount of Rs. 365.35 Lakhs has been transferred to General Reserve.

15. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGOING.

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

16. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with applicable laws and as per the policy of the Company on Materiality of Related Party Transactions.

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

Your Directors draw attention of the members to the financial statement which sets out related party disclosures.

17. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The Industrial Relations scenario continued to be cordial. The Company regards its employees as a great asset and accords high priority to training

and development of employees. Number of employees as on 31st March, 2017 was 245.

Pursuant to the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee is getting salary more than Rs. Sixty Lakhs per annum.

Pursuant to the provision of Section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to all members of the Company excluding the information required in accordance with the Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any member interested in obtaining such information may write to the Chief Financial Officer at the registered office or the corporate office of the Company.

Disclosures pertaining to remuneration and other details of Directors and KMPs are provided in the Extract of Annual Return annexed herewith **as Annexure E**.

18. EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith **as Annexure E** to this Report.

19. PUBLIC DEPOSITS

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

20. CORPORATE GOVERNANCE REPORT

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

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

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

21. RISK MANAGEMENT

The Company has constituted a Risk Management Committee which ensures that the Company has an appropriate and effective Enterprise Risk Management system with appropriate policies and processes which carries out risk assessment and ensures that risk mitigation plans are in place by validating the same at regular intervals.

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

22. CORPORATE SOCIAL RESPONSIBILITY

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

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

23. MEETINGS OF THE BOARD

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

24. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

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

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

The details of establishment of such mechanism disclosed at the website of the company www.lordschloro.com.

25. DETAILS ON INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

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

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable

provisions, if any, of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 1956, to the extent applicable. These are in accordance with generally accepted accounting principles in India.

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

26. GENERAL

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

27. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended on 31st March, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the financial year ended on 31st March, 2017 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating.

27. ACKNOWLEDGEMENT

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

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

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

Place : New Delhi
Date : 29-05-2017

(Ajay Virmani)
Managing
Director
DIN: 00758726

(Yuvraj Ahuja)
Director
DIN: 00164675

(Madhav Dhir)
Executive
Director
DIN: 07227587

ANNEXURE A**POLICY FOR THE SELECTION AND APPOINTMENT OF
DIRECTORS TO THE BOARD****Policy**

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

Procedure

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

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

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

Criteria

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

Criteria for Independent Director

1. For the purpose of this clause, the expression 'independent director' shall mean a non-executive director, other than a nominee director of the company:
 - a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
 - b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;

- (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c. apart from receiving director's remuneration, has or had no material pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. who, neither himself nor any of his relatives —
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two percent or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company;
 - (v) is a material supplier, service provider or customer or a lessor or lessee of the company;
- f. who is less than 21 years of age.

Other directorships / committee memberships

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

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

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

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

ANNEXURE B**Nomination and Remuneration Policy**

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

“Key Managerial Personnel” (KMP) means -

- (i) The Chief Executive Officer or the Managing Director or the Manager;
- (ii) The Company Secretary;
- (iii) The Whole-time Director;
- (iv) The Chief Financial Officer; and
- (v) Such other officer as may be prescribed;

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

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

1. Purpose

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

2. Accountabilities

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

3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for:

- 3.1 Identifying individuals suitably qualified to be appointed as the Director and KMPs or as in the Senior Management of the Company;

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

The Nomination and Remuneration Committee comprises of the following:

- a) The Committee shall consist of a minimum 3 or more non-executive directors, majority of them being independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee and Nomination and Remuneration policy shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

CHAIRMAN

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

COMMITTEE MEMBERS' INTERESTS

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

VOTING

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

4. Appointment of Directors/KMPs/Senior Officials

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

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

4.2 Personal specifications to be broadly considered:

- Holding relevant education qualification in relevant disciplines;
- Experience of management in a diverse organization;
- Excellent interpersonal, communication and representational skills;
- Demonstrable leadership skills;
- Commitment to high standards of ethics, personal integrity and probity;

- Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
- Having continuous professional development to refresh knowledge and skills.

5. Letters of Appointment

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

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

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

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

i) Remuneration:

a) Base Compensation (fixed salaries)

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

b) Variable salary:

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

ii) Statutory Requirements:

- Section 197(5) provides for remuneration by way of a fee to a director for attending meetings of the Board of Directors and Committee meetings or for any other purpose as may be decided by the Board.
- Section 197(1) of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its directors including managing director and whole time director and its manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in Section 198 as prescribed under the Act.
- The Company with the approval of the Members and Central Government may authorise the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V.
- The Company may with the approval of the Members authorise the payment of remuneration upto five percent of the net profits of the Company to its anyone Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.
- The Company may pay remuneration to its directors, other than Managing Director and Whole Time Director upto one percent of the net profits of the Company, if there is a managing director or whole time director or manager and three percent of the net profits in any other case.
- The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Companies Act, 2013.

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

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

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

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

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

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

ANNEXURE C**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017**

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

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

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

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder as applicable;
- II. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- VI. The following Regulations and Guidelines, wherever applicable, prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e. 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;
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and;
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- h. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and;
- i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- VII. Following are some of the significant laws which are specifically applicable to the company in addition to the general laws:
 - a. Environment Protection Act, 1986
 - b. The Water (Prevention & Control of Pollution) Act 1974 read with Water (Prevention & Control of Pollution) Rules, 1975
 - c. The Air (prevention & Control of Pollution) Act, 1981 read with Air (Prevention & Control of Pollution) Rules, 1982
 - d. Explosives Act, 1884
 - e. Manufacture Storage & import of Hazardous and Chemicals Rules, 1989
 - f. Public liability Insurance Act, 1991, as amended
 - g. Gas Cylinder Rules, 2004, 2016:
 - h. The Hazardous wastes (Management, Handling & Trans boundary Movement) Rules, 2008
 - i. The Static and Mobile Pressure Vessels (Unfired) Rules 1981, 2016

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and Delhi Stock Exchange Limited except that The Company submitted financial results for the quarter ended on December 31, 2016 after the expiry of timeline stipulated in Regulation 33(3)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 with a delay of Seven days."

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

- i. The Company has not transferred an amount of Rs 11.64 lakhs to the

Investor Education and Protection Fund as required under the provisions of Section 125 of the Companies Act 2013, however this outstanding amount due for transfer, belongs to a period much prior to the financial year under review and as per explanation given to us, the delay in deposit, is due to pending reconciliation of old relevant records and the company is taking steps to reconcile these accounts and deposit the same with appropriate authorities.

We further report that:

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

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

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

We 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. However, the Company has not, within the financial year, filled up intermittent vacancy of Company Secretary being a Whole Time Key Managerial Personnel and Compliance Officer within a period of six months from the date of such vacancy as required by the provisions of sub-section (4) of section 203 of the Companies Act 2013.

We further report that during the audit period, the Company has not undertaken such events as public, rights or preferential issue of shares, debentures or sweat equity; redemption or buy-back of securities; major decisions by the Members in pursuance to Section 180 of the Companies Act, 2013; merger, amalgamation or reconstruction; Foreign Technical Collaboration or any other like event(s)/action(s) having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For SKP & Co.
Company Secretaries**

(CS Sundeep K. Parashar)

Date : 29.05.2017

M. No. : FCS 6136

Place : Vaishali, (U.P.)

C.P. No. : 6575

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A to Secretarial Audit Report

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

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

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

For SKP & Co.

Date : 29.05.2017
Place : Vaishali, (U.P.)

Company Secretaries
(CS Sundeep K. Parashar)
M. No. : FCS 6136
C.P. No. : 6575

ANNEXURE D
Form - A
FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION.
A. CONSERVATION OF ENERGY

- Company has carried out major revamp of UHDE plant from 2nd generation to 4th generation for making the entire production process energy efficient.
- Company has carried out major revamp of Rectifier and Rectifier transformer to make the system energy efficient and there is ongoing programme to procure more efficient Rectifier.
- Energy meters have been calibrated and energy consumption will be tracked to ensure optimum energy for various processes.
- Entire electrical distribution network has been revamped to avoid losses in distribution system.
- Instrumentation has been revamped so that process could be operated more critically with optimum power consumption.
- Old motors and equipments are being replaced with energy efficient motors/equipment.
- It is an ongoing process at Lords Chloro Alkali Limited to monitor the energy consumption figures and these are analyzed regularly, modifications carried out as and when required with a view to optimize energy consumption.

B. TECHNOLOGY ABSORPTION & INNOVATION

Technology upgradation and training on energy conservation are continuous practice in the company and due care is being given to this aspect in the revamp.

C. ASSISTANCE TO ANCILLARY INDUSTRIES

Company provides continuous assistance to CPW manufacturers (Ancillary Units) in the vicinity by providing necessary technical support and also aids/tools to handle gas leakage situation.

FORM- B
FOREIGN EXCHANGE EARNING AND OUTGOING

The total foreign exchange earned and used:

(Rs. in Lakhs)

		For the year ended on 31st March, 2016	For the year ended on 31st March, 2017
(i)	Earned	--	--
(ii)	Used	275.87	362.04

ANNEXURE E
FORM NO. MGT 9

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014)

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2017

I REGISTRATION & OTHER DETAILS:

i	CIN	L24117RJ1979PLC002099
ii	Registration Date	1 ST MARCH, 1979
iii	Name of the Company	LORDS CHLORO ALKALI LIMITED
iv	Category of the Company	LIMITED
v	Address of the Registered office & contact details	
	Address :	SP-460, MATSYA INDUSTRIAL AREA,
	Town / City :	ALWAR
	State :	RAJASTHAN-301030
	Country Name :	INDIA
	Telephone (with STD Code) :	0144-3202817
	Fax Number :	0144-2881360
	Email Address :	secretarial@lordschloro.com
	Website, if any:	www.lordschloro.com
vi	Whether listed company	YES
vii	Name and Address of Registrar & Transfer Agents (RTA):-	
	Name of RTA:	ALANKIT ASSIGNMENTS LIMITED
	Address :	ALANKIT HEIGHTS" (RTA DIVISION)
	Town / City :	1E/13, JHANDEWALAN EXTN.
	State :	NEW DELHI
	Pin Code:	110055
	Telephone :	011-42541234 & 23541234
	Fax Number :	011-41543474
	Email Address :	rta@alankit.com

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Manufacturing of Caustic Soda (Flakes & lye) and its derivatives like etc.	20119	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – NIL

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1.	NA	NA	NA	NA	NA

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	13372039	0	13372039	53.161%	13372039	0	13372039	53.161%	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	2962029	0	2962029	11.776%	2962029	0	2962029	11.776%	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
(2) Foreign									
a) NRI - Individual/	0	0	0	0	0	0	0	0	0
b) Other - Individual/	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Others	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	16334068	0	16334068	64.937%	16334068	0	16334068	64.937%	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	105	215	320	0.0%	105	215	320	0.00%	0
b) Banks / FI	75	10254	10329	0.041%	75	10254	10329	0.04%	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	17708	0	17708	0.07%	2685	0	2685	0.011%	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	36412	0	36412	0.14%	36412	0	36412	0.14	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	54300	10469	64769	0.26%	39277	10469	49746	0.19%	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1336983	2056668	3393651	13.49%	1260779	2056593	3317372	13.18%	0
ii) Overseas	0	1321	1321	0.01%	0	1321	1321	0.001%	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	241135	846592	1087727	4.32%	271061	832456	1103517	4.38%	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2248791	1907303	4156094	16.52%	2321745	1907303	4229048	16.842%	0
c) Others (specify)	1390	114841	116231	0.46%	4556	114233	118789	0.47%	0
Sub-total (B)(2):-	3828299	4926725	8755024	34.8%	3858146	4911901	8770047	34.873%	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3882599	4937194	8819793	35.06	3897423	4922370	8819783	35.063%	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	20216667	4937194	25153861	100.00%	20231491	4922370	25153861	100.00%	0

ii Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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.	Madhav Dhir	7384582	29.36%	0%	7384582	29.36%	0%	0%
2.	Rakesh Ahuja	3331447	13.24%	0%	3331447	13.24%	0%	0%
3.	Yuvraj Ahuja	1250000	4.97%	0%	1250000	4.97%	0%	0%
4.	Maneesha Dhir	1020000	4.06%	0%	1020000	4.06%	0%	0%
6.	Jyoti Ahuja	386010	1.53%	0%	386010	1.53%	0%	0%
7.	Matrix Dotcom Infonet Pvt. Ltd.	1780000	7.08%	0%	1780000	7.08%	0%	0%
8.	Shiva Consultants Pvt. Ltd.	1182029	4.7%	0%	1182029	4.7%	0%	0%

iii Change in Promoters' Shareholding (please specify, if there is no change)- NO CHANGE

Sl No.	Shareholder's Name	Shareholding					Cumulative shareholding during the year 01-04-16 to 31-03-17	
		No. of Shares at 01.04.2016 (Beginning)/ 31.03.2017 (at the end)	% of total Shares of the company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of the Company
1.	Madhav Dhir	7384582	29.36%	01.04.2016				
					0	No Movement		
		7384582	29.36%	31.03.2017			7384582	29.36%
2.	Rakesh Ahuja	3331447	13.24%	01.04.2016				
					0	No Movement		
		3331447	13.24%	31.03.2017			3331447	13.24%
3.	Yuvraj Ahuja	1250000	4.97%	01.04.2016				
					0	No Movement		
		1250000	4.97%	31.03.2017			1250000	4.97%
4.	Maneesha Dhir	1020000	4.06%	01.04.2016				
					0	No Movement		
		1020000	4.06%	31.03.2017			1020000	4.06%
5.	Jyoti Ahuja	386010	1.53%	01.04.2016				
					0	No Movement		
		386010	1.53%	31.03.2017			386010	1.53%
6.	Matrix Dotcom Infonet Pvt. Ltd.	1780000	7.08%	01.04.2016				
					0	No Movement		
		1780000	7.08%	31.03.2017			1780000	7.08%
7.	Shiva Consultants Pvt. Ltd.	1182029	4.7%	01.04.2016				
					0	No Movement		
		1182029	4.7%	31.03.2017			1182029	4.7%

**iv. Shareholding Pattern of top 10 shareholders (other than Director, Promoter and holder's of
ADR & GDR)**

Sl No.	Shareholder's Name	Shareholding					Cumulative shareholding during the year 01-04-16 to 31-03-17	
		No. of Shares at 1.04.2016 (Beginning)/ 31.03.2017 (at the end)	% of total Shares of the company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of the Company
1.	Paras Wadhwa	1243792	4.94%	01-04-2016				
					0	No Movement		
		1243792	4.94%	31-03-2017			1243792	4.94%
2.	Bhavya Sahni	821868	3.27%	01-04-2016				
					0	No Movement		
		821868	3.27%	31-03-2017			821868	3.27%
3.	Sahni Lal Charanjit	800000	3.18%	01-04-2016				
					0	No Movement		
		800000	3.18%	31-03-2017			800000	3.18%
4.	Turnaround Consultants Pvt. Ltd.	700020	2.78%	01-04-2016				
					0	No Movement		
		700020	2.78%	31-03-2017			700020	2.78%
5.	Atul Kumar Singh	525000	2.09%	01-04-2016				
					0	No Movement		
		525000	2.09%	31-03-2017			525000	2.09%
6.	JFC Finance (India) Ltd.	404142	1.60%	01-04-2016				
					0	No Movement		
		404142	1.60%	31-03-2017			404142	1.60%
7.	Isleworth Waste Management & Recyclers Pvt. Ltd.	391598	1.56%	01-04-2016				
					0	No Movement		
		391598	1.56%	31-03-2017			391598	1.56%
8.	Eva Exporters Pvt. Ltd.	375000	1.49%	01-04-2016				
					0	No Movement		
		375000	1.49%	31-03-2017			375000	1.49%
9.	Abhisar Estates Pvt. Ltd.	318246	1.27%	01-04-2017				
					0	No Movement		
		318246	1.27%				318246	1.27%
10.	Zafar Ali	280000	1.11%	01-04-2016				
					0	No Movement		
		280000	1.11%				280000	1.11%

v Shareholding of Directors and Key Managerial Personnel:

Sl No.	Director's and KMP Name	Shareholding					Cumulative shareholding during the year 01-04-16 to 31-03-17	
		No. of Shares at 01.04.2016 (Beginning)/ 31.03.2017(at the end)	% of total Shares of the company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of the Company
1.	Madhav Dhir	7384582	29.36%	01-04-2016				
					No Movement			
		7384582	29.36%	31-03-2017			7384582	29.36%
2.	Rakesh Ahuja	3331447	13.24%	01-04-2016				
					No Movement			
		3331447	13.24%	31-03-2017			3331447	13.24%
3.	Yuvraj Ahuja	1250000	4.97%	01-04-2016				
					No Movement			
		1250000	4.97%	31-03-2017			1250000	4.97%
4.	Rajbir Singh Makhni	50500	0.20%	01-04-2016				
					No Movement			
		50500	0.20%	31-03-2017			50500	0.20%
5	Ajay Virmani	0	0.00%	01-04-2016				
					No Movement			
		0	0.00%	31-03-2017			0	0.00%
6.	Poonam Rawat	0	0.00%	01-04-2016				
					No Movement			
		0	0.00%	31-03-2017			0	0.00%
7.	Pawan Kumar Nayyar	0	0.00%	01-04-2016				
					No Movement			
		0	0.00%	31-03-2017			0	0.00%
8.	Sandeep Chaudhary	0	0.00%	01-04-2016				
					No Movement			
		0	0.00%	31-03-2017			0	0.00%
9.	Chander Shekhar Pathak	0	0.00%	01-04-2016				
					No Movement			
		0	0.00%	31-03-2017			0	0.00%
10.	Deepak Mathur	0	0.00%	01-04-2016				
					No Movement			
		0	0.00%	31-03-2017			0	0.00%
11.	Shiv Dutt Sharma	0	0.00%	01-04-2016				
					No Movement			
		0	0.00%	31-03-2017			0	0.00%
12.	Rajiv Kumar	0	0.00%	01-04-2016				
					No Movement			
		0	0.00%	31-03-2017			0	0.00%

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

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	196446429.80	435705664.00	-	632152093.80
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	196446429.80	435705664.00	-	632152093.80
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
* Addition	55174112.22	54590000.00	-	109764112.22
* Reduction	22764479.45	45550000.00	-	68314479.45
Net Change	32409632.77	9040000.00	-	41449632.77
Indebtedness at the end of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	228856062.57	444745664.00	-	673601726.57
ii) Interest due but not paid	799801.00	-	-	799801.00
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	229655863.57	444745664.00	-	674401527.57

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager: N.A

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Ajay Virmani (Managing Director)	Madhav dhir (Whole Time Director)	Deepak Mathur (Director-Technical)	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	56,11,000.00	20,07,000.00	26,01,328.00	1,02,19,328.00
	(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	0	0	0	0
	- as % of profit	0	0	0	0
	- others, specify	0	0	0	0
5.	Others, please specify	0	0	0	0
	Total (A)	56,11,000.00	20,07,000.00	26,01,328.00	1,02,19,328.00
	Ceiling as per the Act	84,00,000.00	84,00,000.00	84,00,000.00	2,52,00,000.00

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors						Total Amount
		Poonam Rawat	Chand-era Shekhar Pathak	Rajbir Singh Makhni	Pawan Kumar Nayyar	Shiv Dutt Sharma	Sandeep Chaud-hari	
1.	Independent Directors	0	0	0	0	0	0	0
	Fee for attending board committee meetings	0	0	0	0	0	0	0
	Commission	0	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0	0
	Total (1)	0	0	0	0	0	0	0

2.	Other Non-Executive Directors	Rakesh Ahuja	Yuvraj Ahuja		
	Fee for attending board committee meetings	0	0		0
	Commission	0	0		0
	Others, please specify	0	0		0
	Total (2)	0	0		0
	Total (B)=(1+2)	0	0		0
	Total Managerial Remuneration	0	0		0
	Overall Ceiling as per the Act	0	0		0

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: N.A

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total Amount
1.	Gross salary	2,81,837.00	13,21,440.00	16,03,277.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission	0	0	0
	- as % of profit	0	0	0
	- others, specify	0	0	0
5.	Others, please specify	0	0	0
	Total (A)	2,81,837.00	13,21,440.00	16,03,277.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: N.A

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					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

ANNEXURE F
ANNUAL REPORT ON CSR ACTIVITY

Sr. No.	A Brief outline of the Company's CSR Policy, including overview of the projects or programs undertaken and a reference to the web link to the CSR policy and project or programs					As per the CSR policy of the company, Company can undertake any of the program or activity as defined in Schedule VII of the Companies Act, 2013, and which will include any modification or amendment thereof.	
	The Composition of the CSR Committee					Disclosed in Corporate Governance Report.	
	Average net profit of the Company for last three financial year					Figures in Lakhs	
	Prescribed CSR Expenditure					430.06	
	Details of CSR spent during the financial year					8.60	
	Total amount to be spent for the financial year					NIL	
	Amount unspent, if any					8.60	
Manner in which the amount spent during the financial year detailed below:							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs Local Area or Other Specify the State and district where projects or programs was undertaken	amount outlay (budget) project or programs wise	Amount spent on the projects or programs subheads: Direct expenditure Overheads	Cumulative expenditure upto the reporting period	Amount spent: Directly or through implementing agency
1.	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Reason for failure to spend the two percent of the average net profit of the last three financial years or any part thereof: The CSR committee has series of meeting and detailed discussions with Number of NGO's partners to actively support and channelize the activities/projects/programmes to be undertaken by the company in line with CSR objectives.

However, even after meetings with such NGO partners, the committee could not identify any suitable NGO partner for this purpose and require more time to meet other NGO partners to achieve its CSR objective.

Therefore, the CSR committee could not make any recommendation to the board for the Financial 2016-17, for the CSR activity to be undertaken buy the company and the amount of expenditure to be incurred on CSR activity, due to non-identification of suitable NGO partner to undertake CSR activity of the company.

Accordingly, the board resolved not to incur any expenditure toward CSR for the F/Y 2016-17.

CSR Committee Responsibility Statement:

I, Ajay Virmani, being Chairman of CSR Committee hereby undertake for and on behalf of CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objective and the policy of the Company for the period ended 31st March, 2017.

Date: 29/05/2017

Place: New Delhi

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

Management Discussion and Analysis

The Board of Directors of the company is constantly taking stock of the economy, market scenario and the strengths of the company so that the company is best able to cope and take advantage of the dynamic situations.

The company is operating in only one segment i.e. Chloro Alkali. The capacity of the company in the year 2017-18 will be enhanced to 214 TPD and the installation and commissioning work is under process.

The company is regularly engaged in the environment preservation and industrial safety. Training programs for the staff and adjoining industry are being conducted to have good work practices not only in the organization but also in the Industry around it. The Board feels that environmental issues will become more and more relevant for smooth operation of industries in India and therefore the company is taking effective steps in this direction.

The company is looking into enhancing the production capacity by another 70 TPD in the year 2018-19 and also to start manufacturing Chlorine derivatives to stop being dependent on outside factories for consumption of Chlorine. This is keeping in view the economic growth of the country which is being projected at upwards of 7%.

CORPORATE GOVERNANCE REPORT

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

At LCAL, Corporate Governance philosophy essentially is the system by which the company is directed and controlled by the management in the best interest of the stakeholders and others. Corporate Governance ensures fairness, transparency and integrity of the management. Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investors confidence and commitment to the Company. The Company's Corporate Governance principles are fair, transparent, ethical processes and good practices.

LCAL recognizes the importance of transparency and integrity in dealing at all levels. The Company believes that the goodwill resulting from implementing a code of business ethics will, in due course, translate into economic gains. Stakeholders rate the companies higher that are managed properly and also have better Corporate Governance, which also ensures the optimum use of the human, physical and financial resources of an enterprise. The Company has integrated ethics into its corporate culture and concentrates on putting appropriate Corporate Governance mechanisms in place.

2. Board of Directors

Composition of Board

- i) At present the Board has an optimum combination of executive, non-executive and Independent directors, comprising of experts from various fields/professions, consisting of 11 Directors. Out of these 3 are Executive Director, 2 are Non Executive Director and 6 are Non-Executive Independent Directors.
- ii) The composition of the Board of directors of the Company is in accordance with Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board Meetings

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

During the financial year 2016-17, Six (6) Board Meetings were held on 27.05.2016, 10.08.2016, 11.11.2016, 29.11.2016, 24.01.2017 and 22.02.2017.

Membership, Attendance and Other Directorship

The composition of the Board and attendance of each director at Board Meetings held during the financial year ended on 31.03.2017 and last Annual General Meeting and number of other Directorships and Chairmanship / Membership of Committees of the Board are as under:

Sl. No.	Name of Directors	Attendance		Category	Directorship in other Public Co.	Committee*	
		Board Meeting	Last AGM			Chairman	Member
1.	Shri Rakesh Ahuja	3	N	Promoter Non-Executive	3	1	-
2.	Shri Madhav Dhir	6	Y	Promoter Executive	-	-	-
3.	Shri Yuvraj Ahuja	5	Y	Promoter Non-Executive	1	-	-
4.	Shri Ajay Virmani	6	Y	Managing Director-Executive Director	-	-	2
5.	Shri Pawan Kumar Nayyar	1	N	Independent Director	-	-	-
6.	Shri Sandeep Chaudhari	3	N	Independent Director	-	-	-
7.	Mrs. Poonam Rawat	4	Y	Independent Director	-	-	-
8.	Shri Rajbir Singh Makhni	6	Y	Independent Director	3	1	1
9.	Shri Shiv Dutt Sharma	3	N	Independent Director	-	-	-
10.	Shri Chandra Shakher Pathak	6	N	Independent Director	-	-	1
11.	Shri Deepak Mathur	3	Y	Director (Technical) Executive Director	-	-	-

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

Shri Yuvraj Ahuja is the son of Shri Rakesh Ahuja. None other directors are related to any other director on the Board.

No. of share held by Non-Executive Directors as on 31st March, 2017 are provided below:

S.No.	Name of Director	No. of Equity Shares
1.	Shri Rakesh Ahuja	3331447
2.	Shri Yuvraj Ahuja	1250000
3.	Shri Rajbir Singh Makhni	50500

Independent Directors' Meeting:

During the year under review, the Independent Directors met on 29th November, 2016 without the attendance of Non-Independent Directors and members of the management, inter alia, to discuss on the following:

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

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

Board Committees

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

3. Audit Committee:

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

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

Composition & Meetings:

The constitution of the Audit Committee are as follows:-

- | | |
|--------------------------------|----------|
| 1. Shri Rajbir Singh Makhni | Chairman |
| 2. Shri Chandra Shakher Pathak | Member |
| 3. Shri Ajay Virmani | Member |

During the financial year 2016-17, six (6) Audit Committee Meetings were held on 27.05.2016, 10.08.2016, 11.11.2016, 29.11.2016, 24.01.2017 and 22.02.2017.

Attendance of the members at the meetings was as follows:

Sl. No.	Name of Members	Status	Nos. of Meeting attended
1.	Shri Rajbir Singh Makhni	Chairman	6
2.	Shri Chandra Shakher Pathak	Member	6
3.	Shri Ajay Virmani	Member	6

4. Nomination and Remuneration Committee (NRC)

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

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

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating

to the remuneration of the directors, key managerial personnel and other employees;

2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board for their appointment and removal.

Composition & Meetings:

Committee consists of three Directors and all of them are Independent Directors and Non-Executive Directors.

The composition of the Nomination and Remuneration Committee are as follows:

- | | |
|-----------------------------|----------|
| 1. Shri Sandeep Chaudhari | Chairman |
| 2. Shri Rajbir Singh Makhni | Member |
| 3. Mrs. Poonam Rawat | Member |

During the Financial Year 2016-17 One (1) meetings of Nomination and Remuneration Committee were held on 27.05.2016.

Attendance of the members at the meetings was as follows:

Sl. No.	Name of Members	Status	Nos. of Meeting attended
1.	Shri Sandeep Chaudhari	Chairman	1
2.	Shri Rajbir Singh Makhni	Member	1
3.	Mrs. Poonam Rawat	Member	1

5. Remuneration of Directors:

The details of the Remuneration paid to the Directors of the Company are stated in the Extract of the Annual Return in **Form MGT- 9** which forms part of the Board's Report in this report and is annexed herewith as **Annexure E** and other related information as required under Schedule V of SEBI (LODR) Regulations, 2015 has been disclosed in **Annexure-B**.

6. Stakeholders Relationship Committee

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

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

- Oversee and review all matters connected with the transfer of the Company's securities.
- Recommend to the Board for its Approval to issue duplicate share / debenture certificates.
- Consider, resolve and monitor redressal of investors' / Members' / security holders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend etc.
- Oversee the performance of the Company's Registrars and Transfer Agents.
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

Composition & Meetings:

Stakeholders and Relationship Committee is consisting of three Directors including Independent Directors.

1. Shri Rakesh Ahuja	Chairman
2. Shri Rajbir Singh Makhni	Member
3. Shri Ajay Virmani	Member

During the financial year 2016-17, Four (4) meetings of Stakeholders Relationship Committee were held on 27.05.2016, 10.08.2016, 11.11.2016 and 14.02.2017.

Attendance of the members at the meetings was as follows:

Sl. No.	Name of Members	Status	No. of Meeting attended
1.	Shri Rakesh Ahuja	Chairman	2
2.	Shri Rajbir Singh Makhni	Member	4
3.	Shri Ajay Virmani	Member	4

Compliance Officer

After resignation of Shri Santosh Kumar from the position of Company Secretary cum Compliance Officer, Shri Rjiv Kumar, CFO, has been appointed as the Compliance Officer for complying with requirements of Securities Laws and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Investor Grievance Redressal

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

Sl. No.	Status of Complaints	Status
1.	Complaints pending as on 01.04.2016	Nil
2.	Complaints received during the year 2016-17	152
3.	Complaints resolved during the year 2016-17	148
4.	Complaints pending as on 31.03.2017	4

Risk Management Committee –

Risk and Concerns

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

Risk Management

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

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

The Company has identified

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

During the Financial Year 2016-17 a meeting of Risk Management Committee was held on 27.05.2016.

The composition of the Risk Management Committee is as follows:

- | | |
|-----------------------|-------------|
| 1. Shri Ajay Virmani | Chairperson |
| 2. Shri Yuvraj Ahuja | Member |
| 3. Shri Madhav Dhira | Member |
| 4. Shri Deepak Mathur | Member |

Corporate Social Responsibility Committee (CSR Committee)–

Company has constituted Corporate Social Responsibility Committee, under the provisions of Section 135 of Companies Act, 2013, to formulate &

recommend CSR policy for the Company to the Board. The CSR Committee is responsible to recommend the budget/expenditure as may be needed for the financial year and monitor the execution of CSR Policy of the Company and if required, to recommend modification in CSR Policy to Board.

During the Financial Year 2016-17 a meeting of Corporate Social Responsibility Committee was held on 14.02.2017.

The composition of the Corporate Social Responsibility Committee is as follows:

1. Shri Ajay Virmani	Chairperson
2. Shri Yuvraj Ahuja	Member
3. Shri Madhav Dhir	Member
4. Mrs. Poonam Rawat	Member

7. Annual General Body Meeting

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

Financial Year	Annual General Meeting		Time	Venue
	No.	Date		
2015-16	37	30.09.2016	10.30 AM	SP-460, Matsya Industrial Area, Alwar, (Raj)-301030
2014-15	36	30.09.2015	10.30 AM	SP-460, Matsya Industrial Area, Alwar, (Raj)-301030
2013-14	35	30.09.2014	10.30 AM	SP-460, Matsya Industrial Area, Alwar, (Raj)-301030

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

37th Annual General Meeting (30.09.2014)

- Appointment of Shri Madhav Dhir (07227587) as Whole Time Director.
- To pay Special Allowances, Performance Bonus and Incentive to Shri Ajay Virmani, Managing Director of the Company.

36th Annual General Meeting (30.09.2015)

No special resolution was passed.

35th Annual General Meeting (30.09.2014)

- Adoption of the new Article of Association of the Company
- Borrowing money in excess of paid up capital and free reserve of the Company

Special Resolution passed through Postal Ballot:

During the Financial year 2016-17 under review no Special Resolution has been passed through Postal Ballot.

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

8. Means of Communications

The Unaudited Quarterly / Half Yearly Financial Results of the Company are published in English and local language news papers as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and intimation of the same also sent to Stock Exchanges from time to time. The aforesaid results are also available on the Website of the Company www.lordschloro.com. Management discussion and analysis form a part of annual report and is given in a separate chapter thereto.

9. General Shareholder Information

- | | |
|--|---|
| i) Day, Date & Time of AGM | : Wednesday, 27 th September, 2017 at 10:30 A.M. |
| Venue of AGM | : Regd. Off. - SP-460, Matsya Industrial Area, Alwar (Raj.)- 301030 |
| ii) Financial Year | : 1 st April, 2016 to 31 st March, 2017 |
| iii) Book Closure Period | : 23 rd September, 2017 to 27 th September, 2017 (Both days Inclusive) |
| iv) e-voting period | : 23 rd September, 2017 (9:00 a.m.) to 26 th September, 2017 (5.00 p.m) |
| v) Listing of Shares | : Bombay Stock Exchange, Delhi Stock Exchange, |
| vi) Stock Code | : 500284 (BSE Ltd.) |
| Scrip id | : LORDSCHLO |
| ISIN NO. | : INE846D01012 |
| vii) Registrar & Share Transfer Agent | : M/s. Alankit Assignments Limited, Alankit Heights" 1E/13, Jhandewalan Extension, New Delhi - 110 055. Phone No. 011-42541234, 23541234 Fax No. 011-41543474. Email: rta@alankit.com , maheshcp@alankit.com |

- viii) **Plant Location** : SP-460, Matsya Industrial Area,
Alwar (Raj.)- 301030
- ix) **Addresses for Correspondence** : 1) Registered Office: SP-460, Matsya
Industrial Area, Alwar , (Raj.)- 301030
2) Corporate Office: A-264, 1st Floor,
Defence Colony, New Delhi - 110024.
- x) **Company Secretary cum Compliance Officer &** : Shri Rohit Verma

Email id : : secretarial@lordschloro.com

xi) Market Price Data

Month	High Price	Low Price
Apr 16	31.70	27.80
May 16	31.00	25.30
Jun 16	30.00	26.20
Jul 16	40.80	29.15
Aug 16	48.00	34.55
Sep 16	48.90	35.20
Oct 16	52.00	41.10
Nov 16	50.95	34.90
Dec 16	35.00	28.55
Jan 17	33.10	29.00
Feb 17	38.00	31.50
Mar 17	34.20	28.50

Source: BSE Website

xii) Share Transfer System & Dematerialization of Shares

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

The Company's shares are traded in the Stock Exchanges compulsorily in demat modes. Therefore, for dematerialisation, Members are requested to kindly note that physical documents, viz Demat Request Forms (DRF) and Share Certificates etc. should be sent by their Depository Participants (DP's) directly to the Registrar and Transfer Agents (RTA). NSDL and CDSL, (Depositories) Mumbai have allotted ISIN INE 846D01012 for dematerialization of equity shares of the Company.

xiii) Listing

The Equity Shares of the Company is listed with BSE Ltd. and Delhi Stock Exchange Ltd. (However, DSE is not in operation) The Company has paid listing fees to the exchange namely BSE Ltd. upto the year 2017-2018. The Company is regularly complying with all the compliances pertaining to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Annual Custodial fees for the year 2017-18 has been paid by the Company to NSDL & CDSL.

xiv) MD and CFO Certification

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, necessary certificate, obtained from Managing Director and CFO of the Company for the financial year ended on 31st March, 2017 was placed before the Board of Directors of the Company.

xv) Dematerialisation of Shares as on March 31, 2017

Particulars	Shares on March 31, 2017	%
Physical Shares	4922370	19.57
NSDL	17781859	70.70
CDSL	2449632	9.73
Total	25153861	100.00

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

Particulars	LCAL Share Price v/s BSE	
	Share Price	BSE Sensex
As on April 1, 2016	30.00	25,301.7
As on March 31, 2017	30.95	29620.50
Changes (%)	3.17	17.07

xvii) Distribution of Shareholding as on March 31, 2017

Category	No. of Shareholders	% of Shares
1 to 5000	45884	99.59
5001-10000	74	0.161
10001-20000	35	0.076
20001-30000	13	0.028
30001-40000	3	0.007
40001-50000	7	0.015
50001-100000	10	0.022
100001 and above	47	0.102

10. Disclosures

- a) There are no materially significant related party transactions i.e. transactions material in nature having potential conflict with the interest of

the company at large. Details of related party transactions are furnished under schedule to the 'Notes to Accounts' of the Financial Statement as at 31/03/2017.

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

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

Further, during the year under review, SEBI has imposed penalty on the company for non-compliance of Regulation 33 of the SEBI (LODR) Regulations, 2015 for the quarter ended December, 2016.

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

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

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

11. Code of Conduct

Your Company has adopted a Code of Conduct for all the Board Members and Senior Management Personnel of your Company in accordance with the requirement under Regulation 17 of the Listing Regulations. The Code of Conduct has been posted on the website of your Company. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year 2016-17. A declaration to this effect received under clause D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was obtained from Shri Ajay Virmani, Managing Director of the Company.

12. Compliance Certificate

Certificate from the Practising Company Secretary, Shri Sundeep Kumar Parashar proprietor of M/s SKP & Co., confirming compliance with conditions of Corporate Governance as stipulated under Clause E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached to this Report

Management Discussion and Analysis

The Board of Directors of the company is constantly taking stock of the economy, market scenario and the strengths of the company so that the company is best able to cope and take advantage of the dynamic situations.

The company is operating in only one segment i.e. Chloro Alkali. The capacity of the company in the year 2017-18 will be enhanced to 214 TPD and the installation and commissioning work is under process.

The company is regularly engaged in the environment preservation and industrial safety. Training programs for the staff and adjoining industry are being conducted to have good work practices not only in the organization but also in the Industry around it. The Board feels that environmental issues will become more and more relevant for smooth operation of industries in India and therefore the company is taking effective steps in this direction.

The company is looking into enhancing the production capacity by another 70 TPD in the year 2018-19 and also to start manufacturing Chlorine derivatives to stop being dependent on outside factories for consumption of Chlorine. This is keeping in view the economic growth of the country which is being projected at upwards of 7%.

CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE

To,
The Members,
Lords Chloro Alkali Limited

We have examined the compliance of conditions of Corporate Governance by M/s. Lords Chloro Alkali Limited (the "Company"), for the year ended 31.03.2017 as stipulated in Chapter IV of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

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

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

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

For SKP & Co.

Sundeep Kumar Prashar
(Company Secretary)
C. P. No.6575
Membership No. 6136

Date : 29th May, 2017
Place : Vaishali (U.P.)

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm that:

the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2017.

Place: New Delhi
Date: 29th May, 2017

Ajay Virmani
(Managing Director)
DIN: 00758726

Independent Auditors' Report

**To the Members of
Lords Chloro Alkali Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Lords Chloro Alkali Limited ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis of Qualified Opinion

We draw attention to note 38 of the financial statements, which describes to the fact that company has not transferred an amount of Rs.11.64 lakhs (previous year Rs.11.64 lakhs) to the "Investor Education and Protection Fund" as required. This is the contravention of the provisions of the section 125 of the Companies Act, 2013.

Qualified Opinion

Subject to our comment in the para above, 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 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 B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statement- Refer Note 32 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been delay in transferring the amounts, which was required to be transferred to the investor education and protection fund by the company- Refer Note 38 to the financial statements.
 - iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated 08 November, 2016 of the Ministry of Finance, during the period from 08 November, 2016 to 30 December, 2016. Based on audit procedures performed and the representations provided to us by the Management, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management. (Refer note 33 to the financial statements).

For Gupta Vigg & Co.
Chartered Accountants
Firm's Registration No.: 001393N

Place: New Delhi
Date: May 29, 2017

CA. Deepak Pokhriyal
Partner
Membership Number: 524778

Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records to show full particulars including quantitative details and situations of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to the information and explanations given to us, the inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancies were noticed on physical verification of inventories by the management.
- (iii) 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. Thus, reporting under paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans, guarantees and security under the provisions of section 185 of the Companies Act, 2013. According to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act, with respect to the investments made.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub Section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of

the cost records with a view to determine whether they are accurate or complete.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities *though there have been delays in a few cases.*

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable except below.

S. No.	Nature of Dues	Amount (Rs. In Lakhs)
1	Income Tax (TDS)	1.33
2	Wealth Tax	6.58
3	Investor Education and Protection Fund	11.64

(b) According to the information and explanations given to us, there are no dues of sales tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of duty of excise, duty of customs and income tax have not been deposited by the Company on account of disputes:

(Rs. In Lakhs)

Name of the Statue	Nature of Dues	Period to which the amount relates	Amount (Rs.)	Forum Where Dispute is Pending
Central Excise Act, 1944	Excise Duty	1995-99	64.76 (64.76)	Commissioner (Appeals) Jaipur/ CESTAT New Delhi
Central Excise Act, 1944	Excise Duty	1996-97	145.62 (145.62)	CESTAT, New Delhi
Central Excise Act, 1944	Excise Duty	1996-99	110.72 (110.72)	Hon'ble High Court, Rajasthan

Central Excise Act, 1944	Excise Duty	2003-04	6.32 (6.32)	CESTAT, New Delhi
Central Excise Act, 1944	Excise Duty	2011-12	1.53 (1.53)	Additional Commissioner, Jaipur
Income Tax Act, 1961	Income Tax	A/Y 1996-97	287.17 (287.17)	ITAT, Jaipur
Custom Tariff Act, 1975	Custom Duty	2002-03	5.00 (5.00)	Hon'ble High Court, Delhi
Total			621.12 (621.12)	

Note- Figures in brackets relates to the previous year.

- (viii) Based on our audit procedures and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to any banks or to any financial institution. The Company has not borrowed from Government. The Company did not have any outstanding debentures during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Based on our audit procedures and on the information given by the management, we report that term loans have been utilized for the purpose, for which they have been raised.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, reporting under paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not

made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under paragraph 3(xiv) of the Order is not applicable.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Gupta Vigg & Co.

Chartered Accountants

Firm's Registration No.: 001393N

Place: New Delhi

Date: May 29, 2017

CA. Deepak Pokhriyal

Partner

Membership Number: 524778

Annexure - B to the Independent Auditors' 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 Lords Chloro Alkali Limited ('the Company'), as of 31 March 2017 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, 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 Gupta Vigg & Co.
Chartered Accountants
Firm's Registration No.: 001393N

CA. Deepak Pokhriyal
Partner
Membership Number: 524778

Place: New Delhi
Date: May 29, 2017

BALANCE SHEET as at 31st March, 2017

(₹ In Lakhs)

PARTICULARS	NOTE NO.	AS AT 31.03.2017	AS AT 31.03.2016
I. EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
(a) Share capital	2	2,515.39	2,515.39
(b) Reserves and surplus	3	1,910.29	1,545.65
NON-CURRENT LIABILITIES			
(a) Long-term borrowings	4	5,103.18	4,980.35
(b) Deferred tax liabilities (net)	5	320.07	-
(c) Other long-term liabilities	6	682.51	1,031.33
(d) Long-term provisions	7	143.29	136.53
CURRENT LIABILITIES			
(a) Short-term borrowings	8	1,411.65	1,120.11
(b) Trade payables	9		
(i) Total outstanding dues of micro and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		67.22	50.00
(c) Other current liabilities	10	518.68	579.02
(d) Short-term provisions	11	176.53	53.47
TOTAL		12,848.81	12,011.85
II. ASSETS			
NON-CURRENT ASSETS			
(a) Fixed assets			
(i) Tangible assets	12	8,279.23	5,950.79
(ii) Capital work-in-progress		116.96	1,638.31
(b) Non-current investments	13	4.77	4.77
(c) Deferred tax assets (net)	5	-	117.21
(d) Long-term loans and advances	14	604.65	397.66
(e) Other non-current assets	15	6.89	0.49
CURRENT ASSETS			
(a) Inventories	16	1,354.26	896.16
(b) Trade receivables	17	881.81	1,068.12
(c) Cash and bank balances	18	211.72	487.37
(d) Short-term loans and advances	19	1,370.86	1,433.62
(e) Other current assets	20	17.66	17.35
TOTAL		12,848.81	12,011.85
Notes to the financial statements	2 to 40		
Significant accounting policies	1		

AS PER OUR REPORT OF EVEN DATE FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF LORDS CHLORO ALKALI LIMITED

FOR GUPTA VIGG & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 001393N
YUVRAJ AHUJA
DIRECTOR
MADHAV DHIR
DIRECTOR
AJAY VIRMANI
MANAGING DIRECTOR
CA. DEEPAK POKHRIYAL
PARTNER
MEMBERSHIP NO. 524778
ROHIT VERMA
**COMPANY
SECRETARY**
RAJIV KUMAR
**CHIEF FINANCIAL
OFFICER**
PLACE: NEW DELHI
DATE: MAY 29, 2017

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2017

(₹ In Lakhs)

PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31.03.2017	FOR THE YEAR ENDED 31.03.2016
1. Revenue from operations			
(a) Sale of products (gross)	21	13,667.27	11,024.71
Less : Excise duty		1,551.40	1,246.51
Sale of products (net)		12,115.87	9,778.20
2. Other income	22	31.55	70.45
3. Total revenue (1+2)		12,147.42	9,848.65
4. Expenses			
(a) Cost of materials consumed	23	1,788.50	1,449.28
(b) Changes in inventories of finished goods and work-in-progress	24	(413.39)	(0.69)
(c) Power and fuel		7,907.29	5,386.19
(d) Employee benefits expense	25	693.78	687.74
(e) Finance costs	26	201.65	153.35
(f) Depreciation and amortization expense	12	437.04	275.98
Less: Transfer from revaluation reserve		0.71	0.71
(g) Other expenses	27	849.73	949.49
Total expenses (4)		11,463.89	8,900.63
5. Profit/ (Loss) before exceptional items and tax(3-4)		683.53	948.02
6. Exceptional items	34	119.10	2.40
7. Profit / (Loss) before tax (5+6)		802.63	945.62
8. Tax Expense			
(a) Current tax		110.21	-
(b) Deferred tax		437.28	196.20
(c) MAT credit entitlement		(110.21)	-
9. Net Profit / (Loss) for the year (7-8)		365.35	749.41
10. Earnings/(Loss) per equity share			
Number of shares (face value of shares ₹ 10/-each)		25,153,861	25,153,861
(a) Basic and Diluted		1.45	2.98

AS PER OUR REPORT OF EVEN DATE FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF LORDS CHLORO ALKALI LIMITED

FOR GUPTA VIGG & CO.

CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 001393N

YUVRAJ AHUJA
DIRECTOR

MADHAV DHIR
DIRECTOR

AJAY VIRMANI
MANAGING DIRECTOR

CA. DEEPAK POKHRIYAL
PARTNER
MEMBERSHIP NO. 524778

ROHIT VERMA
COMPANY
SECRETARY

RAJIV KUMAR
CHIEF FINANCIAL
OFFICER

PLACE: NEW DELHI
DATE: MAY 29, 2017

CASH FLOW STATEMENT for the year ended 31st March, 2017

(₹ In Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31.03.2017	FOR THE YEAR ENDED 31.03.2016
A. Cash Flow from Operating activities		
Net Profit/(Loss) before tax, after exceptional items	802.63	945.62
Adjustments for: -		
Depreciation	436.33	275.27
Finance costs	201.65	153.35
Balance written off	(23.00)	45.21
Interest on fixed deposits	(0.11)	-
Dividend income	(0.09)	(0.05)
Fixed assets written off	15.59	-
Loss/(Profit) on sale of fixed assets	(119.10)	26.50
Operating profit before working capital changes	1313.90	1445.90
Adjustments for :-		
Decrease/(increase) in trade receivables	184.06	(749.72)
Decrease/(increase) in inventories	(458.09)	(31.27)
(Decrease)/increase in trade payables	42.47	(369.30)
Decrease/(increase) in loans and advances	41.74	(491.15)
Decrease/(increase) in other current assets	(6.71)	2.90
(Decrease)/increase in other current liabilities	(68.34)	(376.49)
(Decrease)/increase in other long liabilities	(348.83)	847.10
(Decrease)/Increase in provisions	129.82	(483.88)
Cash generated from operations	830.02	255.95
Income taxes paid (net of refund)	1.36	-
Cash flow from operating activities	831.38	255.95
Prior Period Items		
Net cash flow from operating activities (A)	831.38	255.95
B. Cash Flow from Investing activities		
Purchase of fixed assets (including capital work-in-progress & capital advances)	(1,460.58)	(1,057.47)
Proceeds on sale of fixed assets	132.64	49.45
Interest on fixed deposits	0.10	-
Dividend received	0.09	0.05
Net cash used In investing activities (B)	(1,327.75)	(1,007.97)
C. Cash flow from Financing activities		
Proceeds from long term borrowings	122.83	196.59
Proceeds from short term borrowings	291.54	1,020.11
Interest paid	(193.65)	(153.35)
Net cash flow from financing activities (C)	220.72	1,063.35
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(275.65)	311.33
Cash and cash equivalents as at the beginning of the year	487.37	176.04
Cash and cash equivalents as at the end of the year	211.72	487.37
Components of cash and cash equivalents		
- Cash in hand	16.33	14.02
- Balances with banks in current account	195.39	473.35

a) The cash flow statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statement', specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

b) Cash and cash equivalents consists of cash in hand and balances with scheduled banks.

c) Negative figures have been shown in brackets.

AS PER OUR REPORT OF EVEN DATE
**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
LORDS CHLORO ALKALI LIMITED**
FOR GUPTA VIGG & CO.
**CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 001393N**
**YUVRAJ AHUJA
DIRECTOR**
**MADHAV DHIR
DIRECTOR**
**AJAY VIRMANI
MANAGING DIRECTOR**
**CA. DEEPAK POKHRIYAL
PARTNER
MEMBERSHIP NO. 524778**
**ROHIT VERMA
COMPANY
SECRETARY**
**RAJIV KUMAR
CHIEF FINANCIAL
OFFICER**
**PLACE: NEW DELHI
DATE: MAY 29, 2017**

Note 1 Significant Accounting Policies:**1.1 Basis of preparation of financial statements**

- i. The Financial Statements are prepared under the historical cost convention on accrual basis (except cash flow statement) and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.
- ii. Accounting Policies not specifically referred to otherwise are consistent and in accordance with generally accepted accounting principles.
- iii. The preparation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosures of contingent liabilities at the end of reporting period.

1.2 Revenue Recognition

- i. Revenue from sale of manufactured goods is recognised on dispatch to customers.
- ii. Revenue from consignment sales is recognised after the subsequent sale by consignment agents to customers.
- iii. Sales are inclusive of Excise duty but net of rebate & discounts.
- iv. Interest Receivable on Inter-Corporate Deposits, due to uncertainty of realization, is consistently accounted for on cash basis.
- v. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable
- vi. Dividend income is recognized, when right to receive is established.

1.3 Fixed Assets and Depreciation

- i. Fixed assets (other than those which have been revalued) are stated at cost, net of CENVAT less accumulated depreciation except Leasehold Land which is being stated at revalued cost.
- ii. Depreciation on tangible assets is charged on pro-rata basis on straight line method based on the life assigned to each asset in accordance with Schedule II of Companies Act, 2013. Intangible assets are amortized over their respective individual estimated

useful life on the basis of straight line method commencing from the date, the asset is available to the company for its use.

- iii. Leasehold Land – Acquisition cost of leasehold land is amortised over the period of lease including the revalued portion.
- iv. The cost of Fixed Assets taken on Financial Lease is capitalized and amortised by way of depreciation.
- v. Depreciation on the addition due to revaluation of Fixed Assets is amortised against the revaluation reserve.
- vi. Assets under installation / construction as at the balance sheet date are shown as Capital work-in-progress and are valued at cost. However advances paid towards acquisition of assets are not included under Capital work-in-progress.

1.4 Foreign Currency Transactions

- i. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end rates.
- ii. Any income or expense on account of exchange difference, either on settlement or on translation at balance sheet date, is recognized in the profit and loss as per the revised AS-11.

1.5 Inventory Valuation

- i. Inventory of Stores & Spares, Raw Materials, Chemicals & Catalyst and Fuel oil is valued at weighted average cost or net realizable value, whichever is lower.
- ii. Finished goods & Stock-in-process are valued at cost or net realizable value whichever is lower.
- iii. The cost of bought out inventory is computed on the basis of weighted average method.
- iv. Scrap/Waste is valued at net realizable value.
- v. CENVAT credit is accounted by reducing the purchase cost of related materials/services.

1.6 Employees Retirement Benefits

- i. Short term employee benefits obligations are estimated and provided for.
- ii. Payments to defined contribution retirement benefit schemes (such as Provident Fund, Employee's State Insurance Corporation) are charged to the statement of profit and loss of the year in which contribution to such schemes becomes due.

- iii. Company's liability towards gratuity, other retirement benefits and compensated absences are actuarially determined at each balance sheet date using the projected unit credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period of occurrence.

1.7 Investments

Long Term Investments are stated at cost unless there is a permanent fall in value thereof.

1.8 Taxation

- i. Tax expenses comprise current and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future.
- ii. In concurrence with the opinion of the ICAI, the Minimum Alternative Tax is considered as current tax for the year in which it arises and is charged to profit & loss account accordingly. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said assets is created by way of a credit to the profit and loss account and shown as 'MAT credit entitlement' under Loans & Advances.

1.9 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

1.10 Contingent liabilities and provisions

The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. A disclosure is made for possible future obligations that may but probably will not require outflow of resources or where a

reliable estimate cannot be made, as a contingent liability in the financial statements.

1.11 Impairment of Assets

At each Balance Sheet date, the Company reviews whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Statement of Profit & Loss to the extent the carrying amount exceeds the recoverable amount.

1.12 Cash Flow Statement

Cash flow statements are reported using the indirect method, whereby profit/ (loss) before extra-ordinary items/exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipt or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on available information including taxes paid relating to these activities.

1.13 Cash and Cash Equivalents

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

1.14 Leases

Leases where the lessor effectively retains substantially all the risk and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

1.15 Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged as expense to the statement of profit and loss in the period for which they relate to.

1.16 Prior period and extra ordinary items and changes in accounting policies having material impact on the financial affairs of the Company are disclosed appropriately.

1.17 Material events occurring after the Balance Sheet date are taken into cognizance and disclosed appropriately.

Notes to the Financial Statements for the year ended 31st March, 2017
Note 2 - SHARE CAPITAL

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
(a) Authorised Capital		
7,50,00,000 (Previous year 7,50,00,000)	7,500.00	7,500.00
Equity Shares of ₹ 10/-each with voting rights		
(b) Issued		
2,51,58,885 (Previous year 2,51,58,885)	2,515.89	2,515.89
Equity shares of ₹ 10/- each with voting rights		
(c) Subscribed and fully paid-up		
2,51,53,861 (Previous year 2,51,53,861)	2,515.39	2,515.39
Equity shares of ₹ 10/- each with voting rights fully paid-up		
	2,515.39	2,515.39

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

Particulars	AS AT 31.03.2017		AS AT 31.03.2016	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares with voting rights outstanding at the beginning of the year	25,153,861	2,515.39	25,153,861	2515.39
Add: Shares issued during the year	-	-	-	-
Equity Shares with voting rights outstanding at the end of the year	25,153,861	2,515.39	25,153,861	2515.39

(e) Terms/rights attached to equity shares

The company has only one class of share referred as equity share having at par value ₹ 10/-. Each holder of equity share is entitled to same right in all respect.

(f) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name	AS AT 31.03.2017		AS AT 31.03.2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Rakesh Ahuja	3,331,447	13.24	3,331,447	13.24
Madhav Dhir	7,384,582	29.36	7,384,582	29.36
M/s Matrix Dotcom Infonet Pvt. Ltd.	1,780,000	7.08	1,780,000	7.08

Notes to the Financial Statements for the year ended 31st March, 2017
Note 3 - RESERVES & SURPLUS

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
(a) Capital Reserves		
(i) Central capital subsidy		
Balance outstanding at the beginning of the year	15.00	15.00
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the end of the year	15.00	15.00
(ii) Surplus on re-issue of forfeited equity shares	1.21	1.21
	16.21	16.21
(b) Revaluation Reserve		
Balance outstanding at the beginning of the year	44.58	45.29
Add: Additions during the year	-	-
Less: Utilised during the year	0.71	0.71
Balance outstanding at the end of the year	43.87	44.58
(c) Securities Premium Reserve		
Balance outstanding at the beginning of the year	2,082.06	2,082.06
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the end of the year	2,082.06	2,082.06
(d) Surplus in Statement of Profit & Loss		
Balance outstanding at the beginning of the year	(597.21)	(1,346.61)
Add: Transferred from statement of profit & loss	365.35	749.40
Balance outstanding at the end of the year	(231.85)	(597.21)
TOTAL	1,910.29	1,545.65

Note 4 - LONG TERM BORROWINGS*

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017			AS AT 31.03.2016		
	SECURED	UNSECURED	TOTAL	SECURED	UNSECURED	TOTAL
(a) Term Loans						
(i) From Punjab National Bank (Refer Note 4.1(a) below)	652.94		652.94	619.32	-	619.32
(ii) From HDFC Bank Limited (Refer Note 4.1(b) below)	2.78		2.78	3.97	-	3.97
(b) Loan and advances from related parties (Refer Note 4.1(c) below)		4,116.14	4,116.14	-	4,025.74	4,025.74
(c) Inter Corporate Deposit (Refer Note 4.1(d) below)		280.50	280.50		280.50	280.50
(d) Loan and advances from others (Refer Note 4.1(e) below)		50.82	50.82	-	50.82	50.82
	655.72	4,447.46	5,103.18	623.28	4,357.06	4,980.35

*Current portion of long-term borrowings amounting to ₹ 221.19 lakhs (previous year ₹ 221.07 lakhs) have been disclosed under 'Other current liabilities'.

Notes to the Financial Statements for the year ended 31st March, 2017
Note : 4.1
DETAIL OF BORROWING FROM BANK/ FINANCIAL INSTITUTION/ RELATED PARTIES/ OTHERS

(₹ In Lakhs)

Particulars	Loan Outstanding as at 31.03.2017	Current Maturity	Long Term	Rate of Interest (p.a)	Terms of repayment	Detail of Security/ Guarantee
a. Term loan from Punjab National Bank - (Secured)	872.94 (839.32)	220.00 (220.00)	652.94 (619.32)	11.35%	Punjab National Bank has sanctioned a term loan of ₹ 1100 lakhs for revamping of its existing manufacturing facilities out of total project cost of ₹ 1470 lakhs. The company has availed Term Loan of ₹ 1092.94 lakhs upto 31st March, 2017 and loan is repayable in 20 quarterly installments of ₹ 55 lakhs each from the end of May, 2016.	(i) First and exclusive charge by way of hypothecation on all the Plant & Machinery of the Company and all the Fixed Asset of the company (both movable or Immovable) both present & future. (ii) Personal guarantee of Directors (Mr. Rakesh Ahuja, Mr. Madhav Dhir and Mr. Yuvraj Ahuja)
b. Term loan for vehicle from HDFC Bank Ltd. (Secured)	3.97 (5.04)	1.19 (1.07)	2.78 (3.97)	10.50%	HDFC Bank has sanctioned a vehicle loan of ₹ 6 lakhs and repayable in 60 Monthly Installments of ₹ 0.13 lakhs each (with interest) from April, 2015.	Secured against equitable mortgage of vehicle.
c. Loan from related parties	4,116.17 (4,025.74)	0.00 (0.00)	4,116.17 (4,025.74)	Interest Free	All the loan have been taken from the directors and allied concerns are repayable within a period of ten years from the date of receipt of loan on the terms as mutually decided between the parties. For detail related parties disclosure refer note no. B.30 of Notes to Accounts.	Unsecured borrowings
d. Inter Corporate Deposit	280.50 (280.50)	0.00 (0.00)	280.50 (280.50)	Interest Free	Above inter corporate deposit comprises term loan obtained from Cirrus Infrastructure Pvt. Ltd. and the same is repayable within a period of ten years from the date of receipt of loan on the terms as mutually decided between the parties.	Unsecured borrowings
e. Loan & advance from others	50.82 (50.82)	0.00 (0.00)	50.82 (50.82)	(i) Interest free loan ₹ 10.34 lakhs from Ex-managing Directors of previous management in their personal capacity. (ii) Interest free loan from RIICO for ₹ 40.48 lakhs.	(i) Outstanding loan of ₹ 10.34 lakhs (Previous Year ₹ 10.34 lakhs) obtained from two body corporates and are subject to confirmation and the terms & conditions of these loan are not known to the company. (ii) Sales Tax loan from RIICO ₹ 40.48 lakhs (Previous Year ₹ 40.48 lakhs) is interest free and guaranteed by the earlier ex-managing directors and ex-directors of the company in their personal capacity.	Unsecured borrowings

Notes to the Financial Statements for the year ended 31st March, 2017
Note 5 - DEFERRED TAX LIABILITIES (NET)

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
Deferred tax assets	697.48	957.79
Deferred tax liabilities	1,017.55	840.58
Net deferred tax liabilities/ (assets)	320.07	(117.21)
Component of deferred tax assets and liabilities on account of timing differences are:		
Deferred tax assets		
-Carry forward depreciation/ long term capital loss	472.58	487.93
-Carry forward business losses	132.29	429.09
-Disallowance under the Income tax Act, 1961	92.61	40.77
	697.48	957.78
Deferred tax liabilities		
Related to fixed assets	1017.55	840.57

Note 6 - OTHER LONG TERM LIABILITIES

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
(a) Trade payables		
(i) Total outstanding dues of micro and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	91.94	108.44
(b) Others		
(i) Against purchase of fixed assets	310.17	-
(ii) Security and other deposits	268.76	911.25
(iii) Investor Education and Protection Fund (U/S 125)	11.64	11.64
	682.51	1,031.33

*Based on the information received and available with the Company, there are no dues outstanding to micro and small enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes due on account of principal or interest. The above information regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

Note 7 - LONG TERM PROVISIONS

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
(a) Provision for employees benefits		
(i) Provision for gratuity	93.17	88.75
(ii) Provisions for compensated absences	50.12	47.78
	143.29	136.53

Notes to the Financial Statements for the year ended 31st March, 2017
Note 8 - SHORT TERM BORROWINGS

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017			AS AT 31.03.2016		
	SECURED	UNSECURED	TOTAL	SECURED	UNSECURED	TOTAL
(a) Loan repayable on demand						
Cash credit from Punjab National Bank (Refer Note 8.1 (a) below)	1,411.65	-	1,411.65	1,120.11	-	1,120.11
	1,411.65	-	1,411.65	1,120.11	-	1,120.11

Note : 8.1
DETAIL OF BORROWING FROM BANK/ FINANCIAL INSTITUTION/ RELATED PARTIES/ OTHERS

Particulars	Loan Outstanding as at 31.03.2017	Rate of Interest (p.a)	Terms & conditions	Security
a. Cash credit from Punjab National Bank	1,411.65	11.05%	Punjab National Bank, Mohan Nagar Branch (Ghaziabad) has sanctioned a cash credit loan facility ₹ 1600.00 Lakhs to meet the working capital requirement of the company. Further the bank has enhanced the working capital limits to ₹ 2000.00 Lakhs for the financial year 2017-18 to be released after completion of expansion plan.	First and exclusive charge by way of hypothecation of company's entire stocks of raw materials, stock-in-progress, semi-finished, finished goods, consumable stores and spares, receivables bills whether documentary of clean, outstanding monies, receivables, both present and future, in a form or manner satisfactory to the bank and all other current assets of the company, both present and future.

Note 9 - TRADE PAYABLES

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
(a) Total outstanding dues of micro and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro and small enterprises	67.22	50.00
	67.22	50.00

*Based on the information received and available with the Company, there are no dues outstanding to micro and small enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes due on account of principal or interest. The above information regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been replied upon by the auditors.

Notes to the Financial Statements for the year ended 31st March, 2017
Note 9.1 - TRADE PAYABLES TO MICRO AND SMALL ENTERPRISES

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
(a) Principal amount remaining unpaid to any supplier	-	-
(b) Interest due and remaining unpaid to any supplier	-	-
(c) Amount of Interest paid under the Act	-	-
(d) Amount of Interest due and payable for the period of delay in making payment	-	-
(e) Amount of Interest accrued and remaining unpaid	-	-
(f) Amount of further interest due and payable in succeeding year	-	-
	-	-

Note 10 - OTHER CURRENT LIABILITIES

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
(a) Current maturities of long-term borrowings *	221.19	221.07
(b) Interest accrued and due on borrowings (Refer Note 4.1 a)	8.00	-
(c) Advance from customers		
- Others	58.91	37.72
- Related party	53.66	-
(d) Statutory dues payable	97.79	56.11
(e) Other payables	416.37	601.36
Less : Deposit Against Electricity Bills	337.24	337.24
	79.13	264.12
	518.68	579.02

* for details of security for current maturities of long-term borrowing please refer note no. 4.1

Note 11 - SHORT TERM PROVISIONS

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
(a) Provision for employee benefits		
(i) Provisions for gratuity	26.92	19.00
(ii) Provisions for compensated absences	12.58	11.94
(iii) Provisions for bonus	17.04	12.75
(b) Others		
(i) Provisions for income tax	113.41	3.20
(ii) Provisions for wealth tax	6.58	6.58
	176.53	53.47

Notes to the Financial Statements for the year ended 31st March, 2017

Note 12 - FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 01.04.2016	ADDITION	DELETION	As on 31.03.2017	Up to 31.03.2016	For the Period	Up to 31.03.2017	As on 31.03.2017
LEASE HOLD LAND	86.11	-	-	86.11	29.45	0.90	30.35	55.76
LAND DEVELOPMENT	14.93	-	-	14.93	4.34	0.17	4.50	10.43
BUILDING	987.89	-	5.83	982.06	781.44	20.97	797.06	185.00
PLANT & MACHINERY	12,402.05	2,791.81	1.76	15,192.10	7,478.19	282.35	7,758.86	7,433.24
ELECTRICAL INSTALLATION	2,459.10	-	227.34	2,231.75	1,884.76	20.96	1,691.65	540.10
OFFICE EQUIPMENT	246.81	2.61	191.33	58.09	136.89	91.53	181.37	11.04
FURNITURE & FIXTURES	179.90	0.20	26.96	153.15	123.83	18.50	116.73	36.42
VEHICLE	61.09	-	30.57	30.52	48.20	1.66	23.28	7.24
TOTAL	16,437.88	2,794.62	483.79	18,748.71	10,487.10	437.04	10,469.48	8,279.23
CAPITAL WORK IN PROGRESS (Phase - I)	1,638.31	1,153.50	2,791.81	-	-	-	-	-
CAPITAL WORK IN PROGRESS (Phase - II)	-	116.96	-	116.96	-	-	-	116.96
TOTAL	1,638.31	1,270.46	2,791.81	116.96	-	-	-	116.96

₹ In Lakhs

1. Leasehold Land at Alwar costing ₹ 17.32 lacs was revalued to ₹ 84.74 lacs as on 30.04.1984.

2. The management based on external technical evaluation, reassessed the remaining useful life of assets primarily consisting of Plant & Machinery and Electrical Installations at its Alwar Plant, Rajasthan. Accordingly, the useful lives of Plant & Machinery and Electrical Installations at its Alwar Plant, Rajasthan have been changed from the previous estimates.

Notes to the Financial Statements for the year ended 31st March, 2017
Note 12 - FIXED ASSETS (CONTINUED)

(₹ In Lakhs)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK
	As on 01.04.2015	ADDITION	DELETION	As on 31.03.2016	Up to 31.03.2015	For the Period	Up to 31.03.2016	
LEASE HOLD LAND	86.11	-	-	86.11	28.55	0.90	29.45	56.66
LAND DEVELOPMENT	14.93	-	-	14.93	4.17	0.17	4.34	10.59
BUILDING	980.70	7.19	-	987.89	760.36	21.08	781.44	206.45
PLANT & MACHINERY	12,402.05	-	-	12,402.05	7,271.19	207.00	7,478.19	4,923.86
ELECTRICAL INSTALLATION	2,459.10	-	-	2,459.10	1,862.98	21.78	1,884.76	574.33
OFFICE EQUIPMENT	240.84	6.42	0.45	246.81	133.63	3.69	136.89	109.93
FURNITURE & FIXTURES	178.86	1.05	-	179.90	105.17	18.66	123.83	56.07
VEHICLE	53.03	8.06	-	61.09	45.50	2.70	48.20	12.89
TOTAL	16,415.62	22.71	0.45	16,437.88	10,211.55	275.99	10,487.10	5,950.78
CAPITAL WORK IN PROGRESS	794.79	919.45	75.93	1638.31				1638.31

1. Leasehold Land at Alwar costing ₹ 17.32 lacs was revalued to ₹ 84.74 lacs as on 30.04.1984.

2. The management based on external technical evaluation, reassessed the remaining useful life of assets primarily consisting of Plant & Machinery and Electrical Installations at its Alwar Plant, Rajasthan. Accordingly, the useful lives of Plant & Machinery and Electrical Installations at its Alwar Plant, Rajasthan have been changed from the previous estimates.

Notes to the Financial Statements for the year ended 31st March, 2017
Note 13 - NON CURRENT INVESTMENTS

(₹ In Lakhs)

PARTICULARS	FACE VALUE AS AT 31.03.2017	AS AT 31.03.2017	AS AT 31.03.2016
Trade Investments (at cost) - Quoted			
(a) Investment in Equity Instruments			
(i) 1000 Fully paid up Equity Shares of ₹2/- each in DCM Shriram Ltd.	0.02	0.32	0.32
(ii) 100 Fully paid up Equity Shares of ₹10/- each in Grasim Industries Ltd.	0.01	0.51	0.51
(iii) 165 Fully paid up Equity Shares of ₹10/- each in Gujrat Alkalies & Chemicals Ltd.	0.02	0.31	0.31
(iv) 300 Fully paid up Equity Shares of ₹5/- each in Kanoria Chemicals & Industries Ltd.	0.02	0.14	0.14
(v) 100 Fully paid up Equity Shares of ₹10/- each in Punjab Alkalies & Chemicals Ltd.	0.01	0.10	0.10
(vi) 500 Fully paid up Equity Shares of ₹2/- each in DCW Ltd.	0.01	0.13	0.13
(vii) 57 Fully paid up Equity Shares of ₹10/- each in Ultra Tech Cement Ltd.	0.01	0.29	0.29
(viii) 300 Fully paid up Equity Shares of ₹2/- each in Ballarpur Industries Ltd.	0.01	0.22	0.22
(ix) 100 Fully paid up Equity Shares of ₹10/- each in Southern Petrochemical Industries Corporation Ltd.	0.01	0.11	0.11
Other Investments (at cost) - Quoted			
(a) Investment in Mutual Funds			
(i) Principal Mutual Fund - Regular Plan Growth 4190.606 unit of Principal Large Cap Fund	2.00	2.00	2.00
Other Investments (at cost) - Unquoted			
(a) Investment in Government/Trust Securities			
(i) 554 Units 6.75% Tax free US 64 Bonds of ₹100/- each in Unit Trust of India	0.55	0.32	0.32
(b) Silver Coins & Wares		0.32	0.32
GRAND TOTAL		4.77	4.77

- (a) Long term investments are stated at cost.
- (b) Aggregate cost of quoted investments are ₹ 4.12 Lakhs
- (c) Market Value of Quoted Shares and Mutual Fund as on 31.03.2017 is ₹ 9.73 Lakhs (Previous Year ₹ 9.56 Lakhs)
- (d) Aggregate cost of Unquoted Investments are ₹ 0.64 Lakhs (Previous Year ₹ 0.64 Lakhs)
- (e) Aggregate provision made for diminution in value of Investments are NIL

Notes to the Financial Statements for the year ended 31st March, 2017
Note 14 - LONG TERM LOANS AND ADVANCES

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
(Unsecured, considered good)		
(a) Capital advances	364.15	176.83
(b) Security deposits	127.36	107.69
(c) Other advances	113.14	113.14
	604.65	397.66

Note 15 - OTHER NON CURRENT ASSETS

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
(a) Prepaid expenses	6.81	0.41
(b) Margin Money deposit #	0.08	0.08
	6.89	0.49

Margin money deposit given as security against bank guarantee in favour of Rajasthan State Pollution Control Board

Note 16 - INVENTORIES

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
(Valued at the lower of cost or net realisable value)		
(a) Raw materials & chemicals	127.97	110.47
(b) Work-in-progress	491.15	93.28
(c) Finished goods	80.78	64.16
(d) Fuel oil stock of power plant	40.12	29.53
(e) Packing materials	5.75	10.36
(f) Stores and spares parts (Net of provision for old store ₹ 10.56 lacs, previous year ₹ 10.56 lacs)	608.49	588.36
	1,354.26	896.16

Note 17 - TRADE RECEIVABLES

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
(Unsecured, considered good unless otherwise stated)		
(a) Outstanding for a period exceeding six months from the the date they are due for payment	-	135.69
	-	135.69
Less: Provision for doubtful debts	-	-
	-	135.69
(b) Others	881.81	932.43
	881.81	1,068.12

Notes to the Financial Statements for the year ended 31st March, 2017
Note 18 - CASH AND BANK BALANCES

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
Cash and cash equivalents		
(a) Cash on hand	16.33	14.02
(b) Balance with banks in current accounts	195.39	473.35
	211.72	487.37

Note 19 - SHORT TERM LOANS & ADVANCES

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
(Unsecured, considered good unless otherwise stated)		
(a) Advances recoverable in cash or kind		
(i) Considered good	931.09	1,070.31
(ii) Considered good (related parties)	7.25	3.33
(iii) Considered doubtful	69.71	69.71
	1,008.05	1,143.35
Less: Provision on advances	(69.71)	(69.71)
	938.34	1,073.64
(b) Advances & loans to employees	5.71	6.11
(c) Balances with government authorities		
(i) Deposit with central excise department	78.32	78.32
(ii) Entry tax deposited under protest	22.35	22.35
(iii) CENVAT and VAT receivable	56.97	92.89
(iv) Income-tax	14.75	16.09
(v) MAT credit	254.34	144.13
(vi) Advance wealth tax	0.08	0.08
	1,370.86	1,433.62

Note 20 - OTHER CURRENT ASSETS

(₹ In Lakhs)

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
(a) Prepaid expenses	17.66	17.35
	17.66	17.35

Notes to the Financial Statements for the year ended 31st March, 2017
Note 21 - REVENUE FROM OPERATIONS (GROSS)

(₹ In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
(a) Sale of Products (gross)	13,667.27	11,024.71
	13,667.27	11,024.71
Details of products sold		
(a) Caustic soda lye	12,171.47	9,828.33
(b) Caustic Soda flakes	624.38	-
(c) Hydrogen gas	163.10	170.60
(d) Liquid chlorine	527.62	553.04
(e) Hydrochloric acid	112.39	89.17
(f) Calcium hypochloride (bleach liquor)	0.54	2.32
(g) Spent sulphuric acid	8.12	5.19
(h) Other products	59.65	376.06
	13,667.27	11,024.71

Note 22 - OTHER INCOME

(₹ In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
(a) Dividend income from long-term investments	0.09	0.05
(b) Other non-operating income		
(i) Profit on account of foreign exchange fluctuations (net)	-	12.52
(ii) Sundry balances written back	21.61	57.88
(iii) Miscellaneous income (includes provision written back etc.)	9.85	-
	31.55	70.45

Note 23 - COST OF MATERIAL CONSUMED

(₹ In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
Opening stock of raw material	110.47	143.12
Add: Purchase during the year	1,806.00	1416.63
	1916.47	1559.75
Less: Closing stock of raw material	127.97	110.47
Raw material consumed	1,788.50	1,449.28
	1,788.50	1,449.28

Notes to the Financial Statements for the year ended 31st March, 2017
Note 23.1 - DETAILS OF RAW MATERIALS CONSUMED

(₹ In Lakhs)

TYPE OF MATERIALS	YEAR ENDED 31.03.2017		YEAR ENDED 31.03.2016	
	%	Amount	%	Amount
(a) Salt	83.60	1,495.17	81.28	1177.95
(b) Hydrated Lime	2.30	41.17	3.83	55.52
(c) Barium Carbonate	0.55	9.93	0.73	10.56
(d) Sulphuric Acid	1.67	29.82	1.46	21.22
(e) Sodium Sulphite	1.43	25.64	0.84	12.13
(f) Barium Chloride	7.93	141.77	8.23	119.23
(g) Others	2.52	45.00	3.63	52.67
	100.00	1,788.50	100.00	1,449.28

Note 23.2 - ANALYSIS OF MATERIAL CONSUMED

(₹ In Lakhs)

TYPE OF MATERIALS	YEAR ENDED 31.03.2017		YEAR ENDED 31.03.2016	
	%	Amount	%	Amount
(a) Raw materials and chemicals				
(i) Imported	-	-	-	-
(ii) Indigenous	100.00	1788.50	100.00	1449.28
	100.00	1,788.50	100.00	1,449.28
(b) Stores and spares				
(i) Imported	10%	25.61	17%	35.14
(ii) Indigenous	90%	219.71	83%	177.52
	100%	245.32	100%	212.66

Note 23.3 C.I.F. VALUE OF IMPORTS

(₹ In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
(a) Stores and spares / Capital goods	359.27	269.32
	359.27	269.32

Notes to the Financial Statements for the year ended 31st March, 2017
Note 24 - CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS

(₹ In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
CLOSING STOCK		
(a) Finished goods		
(i) Caustic soda	80.19	60.41
(ii) Liquid chlorine	0.04	2.77
(iii) Hydrochloric acid	0.29	0.82
(iv) Stable bleaching powder	0.01	0.01
(v) Hydrogen gas	-	-
(vi) Others products	0.26	0.16
	80.78	64.17
(b) Work-in-progress (Salt, Caustic soda & HCL)	491.15	93.28
	571.93	157.45
OPENING STOCK		
(a) Finished goods		
(i) Caustic soda	60.41	75.12
(ii) Liquid chlorine	2.77	0.59
(iii) Hydrochloric acid	0.82	0.74
(iv) Stable bleaching powder	0.01	-
(v) Hydrogen gas	-	-
(vi) Others products	0.16	-
	64.17	76.45
(b) Work-in-progress (Salt, Caustic soda & HCL)	93.28	80.92
	157.45	157.37
Change in excise duty in stock of finished goods (net)	(1.10)	0.61
Net increase/(decrease) in stocks	(413.39)	(0.69)

Note 25 - EMPLOYEE BENEFITS EXPENSE

(₹ In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
Salaries, wages, allowances and other benefits	619.43	597.05
Contribution to provident fund and other funds	28.63	25.55
Staff welfare expense	45.72	65.14
	693.78	687.74

Notes to the Financial Statements for the year ended 31st March, 2017
Note 25.1 - DETAILS OF EMPLOYEES BENEFIT EXPENSES

The disclosure of employees benefits as required in Accounting Standard - 15 is given below :-

a) Defined Benefits Plan :

The liability for Employee Gratuity and Leave Encashment is determined on actuarial valuation using projected unit credit method. The Obligations are as under :-

PARTICULARS	GRATUITY (Non funded)		LEAVE ENCASHMENT (Non funded)	
	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
Principal actuarial assumptions :				
Discount rate	7.50%	7.50%	7.50%	7.50%
Rate of increase in compensation levels	5.00%	5.00%	5.00%	5.00%
Expected Rate of return of plan assets	N.A.	N.A.	N.A.	N.A.
Average remaining working lives of employees (years)	16.00	14.65	16.00	14.65
Change in the present value of obligation :				
Present value of obligation as at April 1, 2016	107.75	107.18	59.72	57.07
Interest cost	8.08	8.33	4.48	4.44
Past Service Cost – Vested	-	-	-	-
Past Service Cost – Non Vested	-	-	-	-
Current service cost	10.85	9.76	8.67	7.53
Benefits paid	-	(51.52)	(0.13)	(23.15)
Actuarial (gain)/loss on obligations	(6.60)	34.00	(10.03)	13.83
Present value of obligation as at March 31, 2017	120.09	107.75	62.70	59.72
The amount to be recognized in Balance Sheet				
Present value of obligation as at March 31, 2017	120.09	107.75	62.70	59.72
Fair value of plan assets as at March 31, 2017	-	-	-	-
Unfunded Status	(120.09)	(107.75)	(62.70)	(59.72)
Unrecognized Actuarial (gain)/ losses	-	-	-	-
Net Asset/ (Liability) recognized in Balance Sheet	(120.09)	(107.75)	(62.70)	(59.72)
Expenses recognized in the Profit and Loss Account :				
Current service cost	10.85	9.76	8.67	7.53
Past Service Cost – Vested	-	-	-	-
Past Service Cost – Non Vested	-	-	-	-
Interest cost	8.08	8.33	4.48	4.44
Expected Rate of return of plan assets	-	-	-	-
Net actuarial (gain)/loss recognized in the period	(6.60)	34.00	(10.03)	13.83
Total expenses recognized in the Profit & Loss Account	12.34	52.09	3.12	25.80
Experience Adjustments				
Experience Adjustments loss/(gain) - Plan	-	-	-	-
Experience Adjustments loss/(gain) - Obligations	(6.60)	34.00	(10.03)	13.83

Notes to the Financial Statements for the year ended 31st March, 2017
Note 26 - FINANCE COSTS

(₹ In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
(a) Interest expense on borrowings		
(i) From banks	197.51	71.21
(ii) From others	-	79.17
(b) Other borrowings cost (Processing fees)	4.14	2.97
	201.65	153.35

Note 26.1 - BORROWING COST CAPITALISED

(₹ In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
Borrowing cost capitalised as fixed assets/capital work in progress		
(a) Interest cost	16.84	13.83
(b) Processing fees	29.57	15.74
	46.41	29.57

Notes to the Financial Statements for the year ended 31st March, 2017
Note 27 - OTHER EXPENSES

(₹ In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
Stores and spares consumed	245.32	212.66
Manufacturing expenses	36.32	25.52
Rent expenses	64.87	62.08
Security charges	45.10	42.12
Rates and taxes	4.46	9.33
Insurance charges	21.80	21.47
Repairs and maintenance		
Plant and machinery	73.45	165.42
Building	9.45	7.01
Others	5.96	12.04
Travelling, conveyance & vehicle expenses	76.51	70.16
Communication expenses	16.25	21.74
Legal, professional & consultancy charges	89.34	64.93
Printing and stationery charges	10.72	10.01
Publicity and advertisement expenses	1.31	2.74
Bank charges	4.00	7.39
Auditors' remuneration		
Audit fees	3.40	3.40
Taxation fees#	0.60	0.60
Brokerage and commission charges	-	1.24
Freight and forwarding expenses (net)	38.82	7.93
Subscription charges	3.85	0.85
Computer related expenses	0.70	0.81
General charges	26.37	20.04
Foreign exchange fluctuation charges	0.12	-
Office expenses	5.05	5.71
Water and electricity expenses	3.34	3.94
Business promotion expenses	43.72	24.46
Prior period expenses	3.31	56.75
Bad debts	-	62.64
Loss on sale of fixed assets	15.59	26.50
	849.73	949.49

#Paid to another auditor

Notes to the Financial Statements for the year ended 31st March, 2017
Note 28 - EXPENDITURE IN FOREIGN CURRENCY

(₹ In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
(a) Installation and other charges	-	5.73
(b) Travelling expenses	2.77	0.82
	2.77	6.55

Note 29 - FUTURE OBLIGATION TOWARDS THE LEASE RENTALS

(₹ In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
Within one Year	24.08	32.10
Later than one year and not late than five year	-	21.08
Later than five year	-	-
	24.08	53.18

Lease payments recognised in Statement of Profit and Loss - ₹ 56.84 Lakhs (previous year - ₹ 109.12 Lakhs). Previous year amount of ₹ 109.12 Lakhs comprises amount of ₹ 52.02 Lakhs, which pertains to the financial year 2013-14 and 2014-15.

Notes to the Financial Statements for the year ended 31st March, 2017
Note 30 - RELATED PARTY TRANSCATIONS

In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18), the disclosures in respect of Related Parties and Transactions with them , as identified and certified by the Management, are as follows:

I. Description and Name of Related Parties
Description of Relationship
Name

- (a) Individuals controlling voting power/exercising significant influence and their relatives

Mr. Madhav Dhir (Whole Time Director)
(Also Key Managerial Personnel)

Mr. Rakesh Ahuja (Director)

Mr. Yuvraj Ahuja (Director)

Mr. Alok Dhir (Relative of Director)

- (b) Key management personnel and their relatives

Mr. Ajay Virmani
(Managing Director)

Mr. Deepak Mathur
(Whole Time Director)

Included in (a) above

- (c) Enterprises over which anyone in (a) and (b) exercises significant influence

Cirrus Chemicals Pvt. Ltd.

Dhir & Dhir Associates

II Related Party Transactions

(₹ In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
(a) Sales of goods		
- Enterprises over which individuals/ key management personnel can exercise significant influence		
Cirrus Chemicals Pvt. Ltd.	833.40	179.28
	833.40	179.28
(b) Purchase of capital goods		
- Enterprises over which individuals/ key management personnel can exercise significant influence		
Cirrus Chemicals Pvt. Ltd.	310.17	-
	310.17	-

Notes to the Financial Statements for the year ended 31st March, 2017

(₹ In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
(c) Unsecured loan received		
- Individuals controlling voting power/exercising significant influence and their relatives		
Mr. Rakesh Ahuja	90.40	306.74
Mr. Yuvraj Ahuja	-	60.00
Mr. Alok Dhir	-	125.00
- Enterprises over which individuals/ key management personnel can exercise significant influence		
Cirrus Chemicals Pvt. Ltd.	175.00	175.00
	265.40	666.74
(d) Unsecured loan repayment		
- Enterprises over which individuals/ key management personnel can exercise significant influence		
Cirrus Chemicals Pvt. Ltd.	175.00	-
	175.00	0.00
(e) Remuneration to key management personnel		
- Key Management Personnel		
Mr. Ajay Virmani	56.11	56.09
Mr. Madhav Dhir	20.07	-
Mr. Deepak Mathur	26.01	25.11
	102.19	81.20
(f) Sale of fixed asset (Motor Car) to relatives of key managerial Personnel		
- Key managerial Personnel		
Mr. Ajay Virmani	2.50	-
	2.50	0.00
(g) Amounts written off		
- Enterprises over which individuals/ key management personnel can exercise significant influence		
Dhir & Dhir Associates	-	24.61
	0.00	24.61

(h) Reimbursement of expenses (received)		
- Enterprises over which individuals/ key management personnel can exercise significant influence		
Cirrus Chemicals Pvt. Ltd.	16.26	15.16
	16.26	15.16
(i) Amount payable as at year end		
- Enterprises over which individuals/ key management personnel can exercise significant influence		
(a) Unsecured loans		
Cirrus Chemicals Pvt. Ltd.	175.00	175.00
(b) Purchase of capital goods		
Cirrus Chemicals Pvt. Ltd.	310.17	-
- Individuals controlling voting power/exercising significant influence and their relatives		
Mr. Alok Dhir	1,576.00	1,576.00
Mr. Rakesh Ahuja	2,190.14	2,099.74
Mr. Yuvraj Ahuja	175.00	175.00
	4,426.31	4,025.74
(j) Amount receivable as at year end		
- Enterprises over which key management personnel can exercise significant influence		
(a) Sales of goods		
Cirrus Chemicals Pvt. Ltd.	605.32	1.07
(b) Reimbursement of expenses		
Cirrus Chemicals Pvt. Ltd.	1.43	0.83
	606.75	1.90

Note 31 - Earnings Per Share

In accordance with Accounting Standard (AS-20) on "Earning Per Share" the following table reconciles the numerator and denominator used to calculate Basic & Diluted Earning Per Share:

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
(a) Net Profit / (Loss) available to Equity Shareholders (₹ In Lakhs)	365.35	749.41
(b) Number of Weighted Average Equity Shares outstanding during the period for the purpose of calculation of Earning Per Share	25,153,861	25,153,861
(c) Nominal value of Equity Share (in ₹)	10.00	10.00
(d) Basic & Diluted Earning per Share (in ₹)	1.45	2.98

Notes to the Financial Statements for the year ended 31st March, 2017
Note 32 - CONTINGENT LIABILITIES

(₹ In Lakhs)

PARTICULARS	Period to which the amount relates	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
(a) In respect of Excise duty disputes pending with various judicial authorities	1995-99	64.76	64.76
(b) In respect of Excise duty disputes pending with various judicial authorities	1996-97	145.62	145.62
(c) In respect of Excise duty disputes pending with various judicial authorities	1996-99	110.72	110.72
(d) In respect of Excise duty disputes pending with various judicial authorities	2003-04	6.32	6.32
(e) In respect of Excise duty disputes pending with various judicial authorities	2011-12	1.53	1.53
(f) In respect of Electricity duty disputes pending with judicial authorities	2004-06	20.03	20.03
(g) In respect of Entry tax disputes pending with judicial authorities	2003-11	27.28	27.28
(h) In respect of Income tax disputes pending with various judicial authorities	1996-97	287.17	287.17
(i) In respect of previous years dispute relating to import, pending with judicial authorities	2002-03	5.00	5.00
(j) Disputed demand for late payment surcharge on electricity dues amounting ₹ 1226.12 lakh. However the company has paid ₹ 337.24 lakh under protest on account of late payment surcharge	2011-12	1226.12	1226.12
(k) Disputed demand for uninterepted power cut by JVVNL	2011-12	11.72	11.72
	TOTAL	1906.27	1906.27

Note 33 - DISCLOSURE ON SPECIFIED BANK NOTES

During the year, the company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows:

(₹ In Lakhs)

PARTICULARS	SBNs*	Other denomination notes	Total
Closing cash in hand as November 8, 2017	31.88	11.26	43.14
Add: Permitted receipts	-	8.66	8.66
Less: Permitted payments	-	12.29	12.29
Less: Amount deposited in banks	31.88	-	31.88
Closing cash in hand as December 30, 2017	-	7.63	7.63

*For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 8, 2016.

Note 34 - During the current year, the Company has sold the fixed assets for a consideration of ₹ 130.00 Lakh. Profit on sale of above fixed assets was ₹ 119.10 Lakh.

During the previous year, due to enactment of the Payment of Bonus (amendment) Act 2015, the company has made additional provision for bonus of ₹ 2.39 Lakh pertaining to the period from April 1, 2015 to March 31, 2015.

Note 35 - Estimated amount of contracts remaining to be executed on capital account ₹ 1299.55 Lakh (previous year ₹ 276.63 Lakh)(net of advances).

Note 36 - Segment Reporting:- The company is primarily engaged in the business of manufacturing of caustic soda and there are no separate reportable business segments as per accounting standard -17 on segment reporting.

Note 37 - High Power Consumption Incentive of ₹ 235.64 lakh has been adjusted in the payment due to Jaipur Vidyut Vitran Nigam Limited (JVVNL). Out of the total incentive of ₹ 235.64 lakh, ₹ 120.00 lakh is confirmed by JVVNL and the balance amount of ₹ 115.64 lakh has been accounted for on due basis, subject to confirmation from JVVNL.

Note 38 - Unclaimed amount in respect of debentures and excess share application money refundable (amount outstanding is ₹ 11.64 lakh) is required to be transferred to the "Investor Education and Protection Fund" in terms of Section 125 of the Companies Act, 2013. The Company is taking steps to reconcile the above accounts and deposit the amount with the appropriate authorities.

Note 39 - As per the provision and definition given in AS-28, since the recoverable amount of the assets are more than the carrying amount of the assets, no impairment loss needs to be provided.

Note 40 - The previous year figures have been regrouped, rearranged and reclassified to confirm to this year's classification wherever found necessary.

**AS PER OUR REPORT OF EVEN DATE
FOR GUPTA VIGG & CO.**

**CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 001393N**

**FOR AND ON BEHALF OF THE BOARD OF
DIRECTORS OF
LORDS CHLORO ALKALI LIMITED**

YUVRAJ AHUJA	MADHAV DHIR	AJAY VIRMANI
DIRECTOR	DIRECTOR	MANAGING DIRECTOR

**CA. DEEPAK POKHRIYAL
PARTNER
MEMBERSHIP NO. 524778**

**PLACE: NEW DELHI
DATE: MAY 29, 2017**

**ROHIT VERMA
COMPANY
SECRETARY**

**RAJIV KUMAR
CHIEF
FINANCIAL
OFFICER**

LORDS CHLORO ALKALI LIMITED**CIN No. :** L24117RJ1979PLC002099**Registered Office:** SP-460, MIA, Alwar Rajasthan-301 030**Corporate Office :** A-264, 1st Floor, Defence Colony, New Delhi -110 024**Email Id.:** secretarial@lordschloro.com**Ph. No. :** 011 46865999**ATTENDANCE SLIP**

Name(s) of Shareholder(s) :
(In block letters (including joint holders, if any)
Registered Address of the sole/ :
First named member

Registered Folio No. /
DPID No. & Client ID No.

No. of Shares held

I/ we hereby record my/our presence at the 38th Annual General Meeting of the company being held on Wednesday 27th September, 2017 at 10.30 A. M. at registered office of the Company at SP- 460, Matsya Industrial Area, Alwar (Rajasthan) 301030.

Signature of the Member/ Proxy present.....

Notes:

1. Shareholder/ Proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and handover at the entrance duly signed.
2. Please cut here and bring the above attendance slip to the meeting.

E-VOTING INFORMATION

EVEN (Electronic Voting Event Number)	User ID	Default PAN/Sequence Number

Please see note no. 12 to the Notice dated 17th August, 2017 convening the AGM for the procedure with respect to e-voting.

Note: The remote e-voting period commences on 23rd September, 2017 (at 9.00 A. M.) and ends on 26th September, 2017(at 5.00 P.M.)

LORDS CHLORO ALKALI LIMITED**Registered Office:** SP-460, MIA, Alwar Rajasthan-301 030**Corporate Office :** A-264, 1st Floor, Defence Colony, New Delhi -110 024**CIN No. :** L24117RJ1979PLC002099; **Ph. No. :** 011 46865999**Email Id.:** secretarial@lordschloro.com; **Website:** www.lordschloro.com**FORM NO. MGT-11****PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s):

Registered address:

E-mail Id:

DP ID and Client Id / Folio No.

I/We, being the member (s) ofshares of the above named Company, hereby appoint

1. Name: Address:

E-mail Id: Signature:..... or failing him

2. Name: Address:

E-mail Id: Signature:..... or failing him

3. Name: Address:

E-mail Id: Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company, to be held on Wednesday the 27th day of September, 2017 at 10.30 A.M. at the Registered office of the Company at SP-460, MIA, Alwar, Rajasthan-301030 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Ordinary Business	Optional*	
		For	Against
1.	To consider and adopt the Audited Financial Statement of the Company for the Financial Year ended on 31 st March, 2017 and the reports of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Shri Rakesh Ahuja (DIN: 00224315), who retires by rotation and being eligible, offers himself for re-appointment.		
3.	To ratify the appointment of M/s Gupta Vigg.& Co., Chartered Accountants (FRN:001393N) as statutory Auditors of the Company.		
	Special Business		
4.	To re-appoint Shri Rajbir Singh Makhni as an Independent Director of the company.		
5.	To re-appoint Shri Pawan Kumar Nayyar as an Independent Director of the company.		
6.	To re-appoint Shri Sandeep Chaudhari as an Independent Director of the company.		
7.	To re-appoint Shri Chandra Shakher Pathak as an Independent Director of the company.		
8.	To re-appoint Mrs. Poonam Rawat as an Independent Director of the company.		
9.	To re-appoint Shri Shiv Dutt Sharma as an Independent Director of the company.		
10.	To ratify remuneration of the Cost Auditors for the Financial Year 2017-18		
11.	To approve the Related Party Transaction		

* It is optional to put "x" in the appropriate column against the resolutions indicated in the box. If you leave the ' For' or 'Against' column blank against any or all resolutions, your proxy will be entitle to vote in the manner as he/she thinks appropriate.

Signed this..... day of.....

Signature of Member

Signature of first Proxy holder

Signature of second Proxy holder

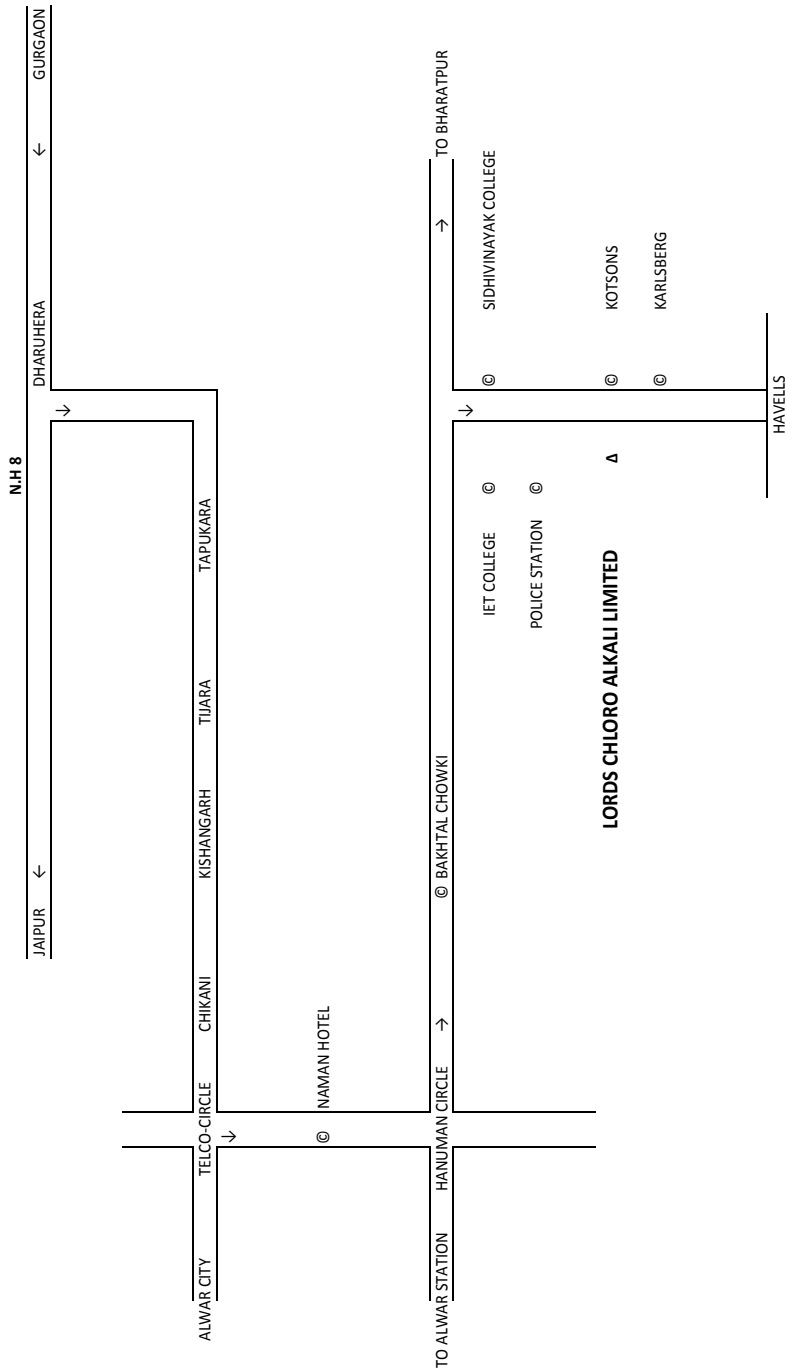
Signature of third Proxy holder

Affix the
revenue
stamp of
Rs. 1/-

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting i.e. by 10:30 am 25th September, 2017.
2. For the Resolutions, Explanatory Statements and notes, please refer to the notice of the 38th Annual General Meeting of the Company.
3. Please complete all details including detail of member(s) in above box before submission.

Route Map of AGM venue





BOOK POST

If undelivered, please return to :

LORDS CHLORO ALKALI LIMITED
A-264, 1st Floor, Defence Colony, New Delhi-110024