



ALKALI METALS LIMITED

AN ISO 9001 & 14001, API COMPANY AND EXPORT HOUSE

55th

ANNUAL REPORT 2022 – 2023

ALKALI METALS LTD.

AN ISO 9001:2015 &
AN ISO 14001:2015 COMPANY



**Board of Directors & Key Managerial Personnel**

Dr. J.S. Yadav	Chairman & Independent Director
Sri. G. Jayaraman	Independent Director
Sri. Y.S.R. Venkata Rao	Managing Director
Sri. K.V. Suryaprakash Rao	Independent Director
Dr. A.R. Prasad	Director
Smt. Y. Lalithya Poorna	Director
Mr. Y.V. Prashanth	Executive Director (w.e.f. 10 November 2022)
Ms. K. Uma Kumari	Chief Financial Officer
Mr. Siddharth Dubey	Company Secretary

Statutory Auditors

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

Internal Auditor

Ramakrishna & Associates
Chartered Accountants

Secretarial Auditor

CS B. Venkatesh Babu
Practising Company Secretary

Bankers

State Bank of India
SME Yellareddy Guda Branch,
8-3-961/B, 1st Floor, Srinagar Colony Main Rd,
Yella Reddy Guda, Hyderabad, Telangana 500073

Registered Office & Unit - I

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

Unit - II

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

Unit - III

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

Registrar & Share Transfer Agent

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



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**NOTICE OF THE 55TH ANNUAL GENERAL MEETING**

Notice is hereby given that the **55th Annual General Meeting** of **M/s. Alkali Metals Limited** will be held on **Monday the 21 August, 2023 at 11:00 AM** through Video Conference(VC)/Other Audio Visual Means(OAVM) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements as on 31 March, 2023 together with the reports of the Directors and Auditors thereon.
2. To declare dividend for the financial year 2022-23.
3. To elect a Director in place of Dr. A.R. Prasad (DIN:08765436) who retires by rotation and is eligible for re-appointment.

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re enactment thereof for the time being in force) read with Schedule IV to the Companies Act and applicable regulations of the SEBI (LODR) Regulations, 2015 (as amended from time to time), Sri K.V. Suryaprakash Rao (DIN: 06934146), Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in the Companies Act and Listing Regulations and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of five consecutive years with effect from 16 October 2023 to 15 October, 2028.”

5. To consider and if though fit, to pass with or without modification(s) the following resolution as a **Special Resolution:**

“RESOLVED THAT the consent of the members be and is hereby accorded to re-appoint Sri. Y.S.R. Venkata Rao as Managing Director in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), for a further period of 3 years with effect from 1 May, 2024 on the following remuneration:

Basic Pay	: ₹ 7,50,000 per month
H.R.A	: ₹ 2,50,000 per month
Commission	: 5% on profits (calculated as per Section 198 of Companies Act, 2013)
Medical benefit	: Medi-claim policy for ₹5,00,000
Insurance	: Accidental Insurance for ₹25,00,000
Leave Travel	: One month's basic pay per year which can be accumulated upto 2 years



Vehicle : Company car with a driver for official use

Telephone & Email : Free Cell and email service for official use

Gratuity : Half month's basic pay for each completed year of service

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

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

By order of the Board of Directors
For Alkali Metals Limited

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

Place : Hyderabad
Date : 27 May, 2023

**NOTES**

1. As per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide General Circular No. 10/2022, dated 28 December, 2022, it has been decided to allow companies whose AGM is due to be held in the year 2023, to conduct their AGM on or before 30 September 2023 through video conferencing (VC) or other audio visual means (OAVM) Video in accordance of the requirements laid down in the earlier Circulars, namely Circular No. 20/2020 dated 5 May 2020 and General Circular No. 02/2022 dated 5 May 2022. Thereby, the ensuing 55th AGM will be held through video conferencing (VC) or other audio visual means (OAVM). The members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated 08 April 2020, 13 April 2020 and 5 May 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 55th AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the 55th AGM will be provided by CDSL.
3. The Members can join the 55th AGM in the VC/OAVM mode 30 minutes before the Meeting and also after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the 55th AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated 8 April 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13 April 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://alkalimetals.com/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The Register of members and transfer books of the company will remain closed from **Thursday the 17 August 2023 to Monday the 21 August 2023** both days inclusive.



8. Members, who hold shares in electronic / Demat form are requested to furnish the change of address, details of their bank accounts, viz, name of the bank, full address of the branch, account no. etc., to their respective Depository Participants and who hold shares in physical form to the Company's Registrars and Transfer Agents **M/s. Cameo Corporate Services Ltd., Subramanian Building, No.1, Club House Road, Chennai – 600002** so as to enable the Company to incorporate the bank details on the dividend warrants.
9. Pursuant to Section 72 of the Companies Act, 2013 and the Rules made there under the Members holding shares in single name may, at any time, nominate in form SH-13, any person as his/her nominee to whom the securities shall vest in the event of his/ her death. Nomination would help the nominees to get the shares transmitted in their favor without hassles. Members desirous of making any cancellation/variation in the said nomination can do so in SH-14.
10. Members holding shares in identical order of names in more than one folio are requested to write to the company's Registrars & Transfer Agents enclosing their share certificates to enable consolidation of their shareholdings in one folio. As per the amended Provisions based on the PAN, all different folios of the same PAN will be treated as one folio.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Registrars and Transfer Agents of Company.
12. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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



The e-voting period commences on **Friday the 18 August 2023 (09:00 A.M.) and ends on Sunday 20 August 2023 (05:00 P.M.)**. During this period shareholders of the Company, holding shares as on **cut-off date of Thursday the 16 August 2023** either in physical form or in Dematerialized form, may cast their vote electronically. The e-voting portal shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company. A member who has cast his/ her vote by electronic means are entitle to attend the AGM but not entitled to vote again at the AGM.

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

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

13. i. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- ii. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in Demat mode with CDSL Depository</p>	<p>a) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon& New System Myeasi Tab.</p> <p>b) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p>



	<p>c) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>d) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>a) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>b) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>c) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>



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

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

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

iii. Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

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

Mode	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.



- f) After entering these details appropriately, click on “SUBMIT” tab.
 - g) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - h) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - i) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
 - j) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - k) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
 - l) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - m) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - n) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
 - o) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - p) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- iv. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - c) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - d) The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - e) It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - f) Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; secretarial@alkalimetals.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

14.
 - i. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
 - ii. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
 - iii. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
 - iv. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
 - v. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - vi. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 - vii. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **3 days prior to meeting** by mentioning their name, demat account number/folio number, email id, mobile number at **secretarial@alkalimetals.com or cs.alkalimetals@gmail.com**
 - viii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 - ix. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 - x. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

15.
 - i. **For Physical shareholders** - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
 - ii. **For Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP)
 - iii. **For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

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

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF
THE COMPANIES ACT 2013****Item No. 4**

Sri. K.V. Suryaprakash Rao, Independent Additional Director appointed by the Board on 15 October 2018 were appointment for a period of 5 years i.e upto 14 October 2023. As per the provisions of the Companies Act, re-appointment for a second term of 5 years will require a special resolution to be passed at a general meeting.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Companies Act and the Listing Regulations the above proposed appointment was recommended by the Board to be passed as a special resolution as specified in the notice. His brief profile is stated below:

He has around 38 years of experience in the field of promoting Research & Development and academia. He has been the Head of Research & Development by Industry (RDI) Division and Advisor (Equivalent to Joint Secretary) in the Department of Scientific and Industrial Research (DSIR) of the Ministry of Science & Technology. His educational qualification being, M.Tech in Plant Engineering, Management from JNTU and PG Diploma in Operations Management from IGNOU. He is also a Fellow of the Institution of Engineers (India) and, Government of India.

Except the Director for his own appointment, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of the AGM.

Item No.5

Appointment of Sri Y.S.R. Venkata Rao, Managing Director, is valid upto 30 April 2024. As per the provisions of the Section 196 of the Companies Act 2013, appointment/re-appointment of a person who has attained the age of 70 years is to be made by passing a special resolution at a General Meeting. Sri. Y.S.R. Venkata Rao is of the age of 72 years., hence his appointment is being considered in the ensuing AGM. for the approval of the shareholders by way of Special Resolution.

The Board is of the opinion, that Sri. Y.S.R. Venkata Rao re-appointment as Managing Director will benefit the Company and his rich experience will boost the next generation to taken up the company into next level.

Except the Proposed Director, Smt. Y. Lalithya Poorna and Mr Y.V. Prashanth none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the said resolution set out in Item no.5 of the accompanying notice of the AGM.

STATEMENT OF PARTICULARS AS PER SCHEDULE V:

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

1. GENERAL INFORMATION:

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



iv. Financial performance based on given indicators (₹ in Lakhs)

Particulars	2020-21	2021-22	2022-23
Sales & Other Income	5,556.74	9,130.68	8,937.13
Profit before finance charges, depreciation and taxation	625.54	1,167.44	1,081.96
Finance Charges	254.17	263.13	266.60
Depreciation	334.87	385.87	429.30
Profit/(Loss) before exceptional items and tax	36.50	518.44	386.06
Exceptional & Extraordinary items	14.47	15.03	9.41
Profit/(Loss) before Tax	22.03	503.41	376.66
Taxes including deferred tax and previous years	142.73	155.33	85.37
Net Profit	(120.70)	348.08	291.28
Other comprehensive income (net)	29.17	4.70	(9.19)
Total Comprehensive Income	(91.53)	352.78	282.09

v. Foreign Earnings, investments or collaborations, if any

Particulars	2020-21	2021-22	2022-23
Earnings	2,577.09	5,296.29	5,711.86
Outgo	1,351.69	1,462.68	1,195.05

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

2. INFORMATION ABOUT THE APPOINTEE:

i. Background details	Sri. Y.S.R. Venkata Rao, B.E.(Mechanical). He joined the Company during 1977. He played a pivotal role in steering the growth of Alkali Metals from being a manufacturer of alkali metals to producer of sodium derivatives, cyclic compounds, fine chemicals, which find wide application in industries circle. Under the leadership of Sri. Y.S.R. Venkata Rao, Company Listed its securities in BSE and NSE. His rich experience in the Industry and relation with the Company will help to enhance the growth of the Company.
ii. Past Remuneration	₹ 108.37 Lakhs per annum for 31.03.2023.
iii. Recognition or awards	Member of the Year Award for the year 2002 from the All India Manufacturers' Association, Andhra Pradesh State Board. He worked at various posts in FAPCCI, PHARMEXCIL, BDMA, VSEZ and such other Organisations.
iv. Job profile and his suitability	Sri. Y.S.R. Venkat Rao, Managing Director of the Company. He looks after the production operations, R&D, Finance and other technical issues. He had rich experience which will help the Company in achieving its goals.



v. Remuneration proposed	₹ 10 Lakhs per month and other perks and commission as provided in the resolution
vi. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The remuneration offered to Sri Y.S.R. Venkata Rao is justifiable and comparable with the industry norms considering the nature of industry, size of the Company, profile and position of person.
vii. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Sri Y.S.R. Venkata Rao is Second Generation Promoter of the Company. He hold 67.81% stake in the Company.

3. OTHER INFORMATION:

i. Reasons of loss or inadequate profits:

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

ii. Steps taken or proposed to be taken for improvement:

The Company is continuously working on identifying new products, processes and commercializing the new products based on the Industry and client requirements. The Company is looking for options to commercialize few of the R&D Products in order to increase the turnover and margins.

iii. Expected increase in productivity and profits in measurable terms:

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

4. DISCLOSURES

The details of remunerations and other information will be given as per the provisions of the applicable act.

By order of the Board of Directors
For Alkali Metals Limited

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

Place: Hyderabad
Date : 27 May, 2023



Board's Report

To,
The Members,
Alkali Metals Limited

Your Directors have pleasure in presenting the 55th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31 March, 2023.

1. Results of our operations

The results of our Operations for the Financial Year ended 31 March, 2023 is summarized as below:

(All figures in ₹ Lakhs)

Particulars	Financial Year 2022-23	Financial Year 2021-22
Turnover	8,823.27	9,101.59
Other Income	113.86	29.09
Total Revenue	8,937.13	9,130.68
Profit/(Loss) before finance charges, depreciation and taxation	1,081.96	1,167.44
Less : Finance Charges	266.60	263.13
Depreciation and Amortization expense	429.30	385.87
Profit/(Loss) before exceptional items and tax	386.06	518.44
Less: Exceptional items	9.41	15.03
Profit/(Loss) before tax	376.66	503.41
Less : Current Year's tax (MAT)	65.12	84.89
MAT Credit Entitlement	(65.12)	(84.89)
Deferred Tax	85.37	155.33
Profit/(Loss) After tax	291.28	348.08

During the year 2022-23, the Company recorded a turnover of ₹ 8,823.27 Lakhs and Net Profit of ₹ 282.09 Lakhs compared to the turnover of ₹ 9,101.59 Lakhs and Net Profit of ₹ 352.78 Lakhs (after comprehensive items) of previous year 2021-22.

Company is able to operate almost same level of operations as compared to previous year and earned the net profit of ₹ 282.09 Lakhs which is lower as compared to previous year.

2. Dividend

The Board of Directors recommends dividend of 20% amounting ₹ 2 per equity share of ₹ 10 each paid-up for the approval of the shareholders at the ensuing Annual General Meeting for the Financial Year 2022-23 and the said dividend will be paid to shareholders who hold shares as on record date within 30 days of declaration by the shareholders.

3. Reserves

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

**4. Future outlook**

As per forecast the Chemical Industry is expected to grow 9% p.a. However, the geopolitical scenarios and global economic conditions could have an impact.

The Company is continuously working to identify new products, processes and commercializing the new products based on the Industry and client requirements. To understand the International Market, your Company has participated in International Pharma Exhibitions. Accordingly in-house R&D team is trying to develop new products. Your Directors are hopeful of doing good business in the coming years.

5. Research & Development

The Company has spent ₹111.42 Lakhs towards Research and Development during the Financial Year under review. The R&D team is putting its efforts to develop the new products and processes to ensure optimum material consumption and effective yield.

6. Change in the nature of business, if any

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

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

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

8. Significant and Material Orders

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

9. Internal Financial Controls

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

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

10. Risk Management

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

11. Details of Subsidiary/Joint Ventures/Associate Companies

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

12. Deposits

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

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

The members at the 51st Annual General Meeting of the Company held on 3 August, 2019 had appointed M/s. G. Nagendrasundaram & Co., Chartered Accountants as Statutory Auditors for a term of 5 years from the conclusion of the 51st Annual General Meeting on such remuneration as may be determined by the Board of Directors.

Pursuant to Section 139 of the Companies Act, 2013 the statutory auditors G. Nagendrasundaram & Co., Chartered Accountants have confirmed that they are eligible to continue as auditors. Their report for the Financial Year 2022-23 does not contain any adverse remark/comment. However the Auditors have made a factual disclosure in their CARO report forming part of the Audit Report. Their disclosure and Company's reply is stated as under:

- Customs Duty Outstanding for more than six months- For an export obligation the Company had to pay Customs Duty to the extent of ₹ 44.93 Lakhs.

The Company paid ₹ 34.30 Lakhs and is in the process of paying the balance.

- Cyber Fraud against the Company- while proceeding with the payment for CPHI Europe during July 2022 ₹ 19 Lakhs were lost due to business email compromise at the CPHI agency.

As a precautionary measure supplier call back process to authenticate bank details has been included in the payment process. The Company had reported the matter at Local Cyber Crime Police Station and the same was also reported on the National Cyber Crime Reporting Portal.

Internal Auditors

The Board of Directors of the Company had appointed M/s. Ramakrishna & Associates, Chartered Accountants as Internal Auditors to conduct the Internal Audit of the company for the Financial Year ended 31 March, 2023.

M/s. Ramakrishna & Associates, Chartered Accountants have been re-appointed as Internal Auditors for FY 2023-24.

Secretarial Auditors

The Board of Directors of the Company had appointed CS B. Venkatesh Babu, Practicing Company Secretary as Secretarial Auditor to conduct Secretarial Audit and Secretarial Compliance Report of the Company for the Financial Year ended 31 March, 2023 and his report does not contain any qualification, reservation or adverse remark.

CS B. Venkatesh Babu, Practicing Company Secretary has been re-appointed as Secretarial Auditor for FY 2023-24.

14. Share Capital

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

15. Extract of the Annual Return

Pursuant to the provisions of Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, a copy of the Annual Return of the Company is available at the Company's website. this can be accessed using the link <https://www.alkalimetals.com/annualreturn>

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo have been provided in Annexure - 1 and shall form part of this report.

17. Corporate Social Responsibility (CSR)

In terms of Section 135 of the Companies Act, 2013, the Company has constituted Corporate Social Responsibility Committee to monitor the CSR activities of the Company in terms of the provisions of the Companies Act, 2013. The Committee's constitution, terms of reference and role are in compliance with the provisions of the Companies Act, 2013.

The committee comprises of following members:

- i. Sri. K.V. Suryaprakash Rao- Chairman
- ii. Sri. Y.S.R. Venkata Rao- Member
- iii. Sri. G. Jayaraman- Member

Corporate Social Responsibility policy was adopted by the Board of Directors on the recommendation of Corporate Social Responsibility Committee. Report on Corporate Social Responsibility as Per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is prepared and the same is enclosed as ANNEXURE - 5 to this Report.

18. Directors**i. Appointment:**

During the year under review, the Board had appointed Mr. Y.V. Prashanth as an Additional Director and Executive Director on 10 November 2022 as a part of succession plan for Managing Director. His appointment was approved by the members at the EGM conducted on 15 December 2022.

ii. Retire by Rotation:

Dr. A.R. Prasad, Director, retires by rotation and is eligible for reappointment at the ensuing Annual General Meeting.

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

iii. Declaration by an Independent Director:

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

iv. Formal Annual Evaluation:

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

**19. Key Managerial Persons**

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

20. Director's Responsibility Statement

As per the provisions of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors shall state that—

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

21. Committees of Board

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

22. Vigil mechanism for Directors and Employees

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

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

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

23. Policy on Sexual Harassment

There has always been an endeavor on the part of the Company to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company had adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, the Internal Complaints Committee has not received any complaints pertaining to incident of harassment.

**24. Particulars of loans, guarantees or investments**

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

25. Particulars of contracts or arrangements with related parties

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

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

26. Managerial Remuneration / Employee Details

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

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

27. Secretarial Audit Report

Secretarial Audit Report including Secretarial Compliance Report as per SEBI (LODR) Regulations for the Financial Year 2022-23 obtained from CS B. Venkatesh Babu, Company Secretary in Practice is annexed and forming part of the Board's Report as ANNEXURE -4.

28. Corporate Governance and Management Discussion and Analysis

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

29. Insurance

All the properties and insurable interests of the Company including Building, Plant and Machinery and Stocks have been adequately insured. The Company has-Directors & Officers Indemnity Policy- for Directors and Key Managerial Personnel, Group Accidental policy- for staff and workmen and Group Medical Policy - for those who are not covered under ESI.

30. Listing on Stock Exchanges

The securities of the Company are continued to be listed on BSE and NSE. The listing fees for these stock exchanges are paid till the current Financial Year.

31. Cost Records

The provisions of Section 148 of the Companies Act 2013 for maintaining the Cost Records are not applicable to the Company.

**32. Compliance of Secretarial Standards**

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

33. Acknowledgements

Your Directors express their gratitude to all Members, Staff and Workers, Bankers, Regulatory Authorities, Government, Customers, Suppliers, Business Associates from India and abroad for their continued support at all times and look forward to have the same in our future endeavours. Directors are pleased to record their appreciation of the sincere and dedicated services of the employees and workmen at all levels.

Your Directors look forward to the long term future with confidence

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

Place : Hyderabad
Date : 27 May, 2023

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

Dr. J.S. Yadav
Chairman
DIN: 02014136

**ANNEXURE -1**

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

1. CONSERVATION OF ENERGY

- i. The steps taken or impact on conservation of energy:
Continuous measures are being taken by the Company to conserve the energy. Hydrogen recovery plant and Nitrous oxide generation plant have been installed at all the units, it helps in re-usage of fuels thereby it conserves energy. All the measures taken by the Company has resulted in cost savings.
- ii. The steps taken by the Company for utilizing alternate sources of energy:
The Company operations are mainly carried out using electrical power supported by generator back up for continuous operations. However, the Company is evaluating the possibilities of utilizing alternative sources of energy.
- iii. The Capital investment on energy conservation equipments:
Not envisaged any additional investment in the coming year.

2. TECHNOLOGY ABSORPTION

- i. The Efforts made towards technology absorption:
Presently, the Company applies its own technology and the indigenous technology for the manufacturing processes carried out. There has been a continuous endeavor to develop the technology required for the Company.
- ii. The Benefits derived are:
 - maintenance of quality standards
 - commercialization of new products
 - time saving by automation of repetitive R&D tasks
 - reduced dependence on external source for technology adaptation.
- iii. Details of technology imported during the past 3 years:
No technology has been imported during the past 3 years.
- iv. The expenditure incurred on Research and Development: ₹ 111.42 Lakhs.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

(All figures in ₹ Lakhs)

	2022-23		2021-22	
Earnings		5,711.86		5,296.29
Outgo		1,195.05		1,462.68
Raw Materials	1,163.74		1,395.11	
Equipment	-		67.58	
Foreign currency Expenses	31.31		-	
Net Foreign Exchange earnings		4,516.81		3,833.61

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

Place : Hyderabad
Date : 27 May, 2023

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

Dr. J.S. Yadav
Chairman
DIN: 02014136

**ANNEXURE-2
Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014
Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

Name(s) of the related party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board/ Members, if any	Amount paid as advances, if Any
Sri Y.S.R. Venkata Rao	Managing Director	Office Rent (including Deposit)	Continuous transactions	Rent paid amounted to ₹ 4.92 Lakhs	5 February 2019	3 months rent was paid as deposit (initially)
Mr. Y.V. Prashanth*	Executive Director	Office Rent (including Deposit)	Continuous transactions	Rent paid amounted to ₹ 9.84 Lakhs	5 February 2019	3 months rent was paid as deposit (initially)
CDC Industrial Infrass Limited	Entity in which promoter Directors are interested	Office Rent (including Deposit)	Continuous transactions	Rent paid amounted to ₹ 4.92 Lakhs	5 February 2019	3 months rent was paid as deposit (initially)
Asian Herbox Limited	Entity in which promoter Directors are interested	Godown Rent (including Deposit)	Continuous transaction	Rent paid amounted to ₹ 85.73 Lakhs	5 August 2022	6 month rental was paid as deposit
Zigna Analytics Private Limited	Entity in which promoter Directors are interested	Sales Commission	Continuous transactions	Commission paid amounted to ₹ 37.49 Lakhs	5 February 2019	No
Dr. Y.V.S Murty Charitable Trust	Promoter Directors are Trustees	CSR obligations are met through the trust	One-Time transactions	CSR amount of ₹ 5.00 Lakhs spent during the year.	5 August 2022	No

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

Place: Hyderabad
Date: 27 May, 2023

Y.S.R. Venkata Rao
Managing Director
DIN:0034524

Dr. J.S. Yadav
Chairman
DIN: 02014136

Note: Mr. Y.V. Prashanth was appointed as an Executive Director w.e.f 10 November 2022. Before that his relationship with the Company was shown as Relative of Managing Director

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

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

S.No	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
i.	Sri. Y.S.R.Venkata Rao, Managing Director	26.73
ii.	Mr. Y.V. Prashanth, Executive Director	15.34

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

Mr. Y.V. Prashanth was appointed on 10 November 2022, his annual salary is used for calculation purpose

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year:

S.No.	Name of the Director and KMP	Percentage increase in remuneration
i.	Sri. Y.S.R.Venkata Rao, Managing Director	3.41%
ii.	Mr. Y.V. Prashanth, Executive Director	Not applicable
iii.	Ms. K. Uma Kumari, CFO	6.29%
iv.	Mr. Siddharth Dubey, CS	6.24%

Note: The percentage increase of remuneration to CFO and CS pertains to Bonus paid during the Financial Year.

3. The percentage increase in the median remuneration of employees in the financial year: 33.96%
4. The number of permanent employees on the rolls of Company:
There are 113 employees as on 31 March, 2023.
5. The explanation on the relationship between average increase in remuneration and company's performance

Average Increase/(Decrease) in remuneration	Company's performance
6.46 %	Turnover is ₹8,823.27 Lakhs and Net Profit is ₹ 287.59 Lakhs

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

Turnover	₹ 8,823.27 Lakhs
Net Profit	₹ 287.59 Lakhs
Total Remuneration to KMP	₹ 164.62 Lakhs

7. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:



S.No.	Particulars	31.03.2023	31.03.2022
i.	Market Capitalization		
	BSE (amount in ₹ in Lakhs)	9327.17	7962.72
	NSE (amount in ₹ in Lakhs)	9316.99	8074.73
ii.	Price Earnings ratio (based on Basic EPS)		
	BSE	32.48	22.57
	NSE	32.45	22.88
iii.	Market quotation of the shares compared to rate at which it came out with IPO.		
The Company came with Initial Public Offer during the period of 2008 at a price of ₹ 103 per share. As on 31 March 2023 (last trading day) the market quotation of the company shares price is ₹ 91.6 on BSE and ₹ 91.5 for NSE as on 31 March 2023			

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

The Average percentage of increase in remuneration of employees other than the managerial personnel is 4.15% and Managerial Personnel is 31.41%. (as we have appointed Executive Director during the year).

9. Comparison of remuneration of each Key Managerial Personnel against the performance of the company:

S. No.	Name	Remuneration of Key Managerial Person	Performance of the Company during 2022-23	% to Turnover
1.	Sri. Y.S.R. VenkataRao, MD	₹ 108.37 Lakhs	Turnover ₹ 8823.27 Lakhs Net Profit ₹ 287.59 Lakhs	1.23%
2.	Mr Y.V. Prashanth, ED	₹ 29.34 Lakhs		0.33%
3.	Ms. K. Uma Kumari, CFO	₹ 18.62 Lakhs		0.21%
4.	Mr. Siddharth Dubey, CS	₹ 8.30 Lakhs		0.09%

Note: We have provided actual payment of remuneration to Mr Y.V. Prashanth for the part of the year.

10. The key parameters for any variable component of remuneration availed by the directors: Managing Director and Executive Director is entitled 5% on profits computed as per Section 198 of the Companies Act 2013, as part of remuneration during the year ended 31 March 2023.
11. The ratio of remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year
Not Applicable.
12. Affirmation that remuneration is as per the remuneration policy of the Company. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMPs and Other Employees.

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

Place : Hyderabad
Date : 27 May, 2023

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

Dr. J.S. Yadav
Chairman
DIN: 02014136

**ANNEXURE-4****FORM MR-3**

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

**SECRETARIAL AUDIT REPORT
(For the Financial Year ending 31 March, 2023)**

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

I have conducted the Secretarial Audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Alkali Metals Limited (CIN: L27109TG1968PLC001196)** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Alkali Metals Limited, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2023 according to the provisions of:

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



- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

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

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

However, please note that SEBIs ICDR, ESOS, Listing of Debt Securities, Registrar to an Issue, Delisting and Buyback of Securities are not applicable as there being no such activity/acts/events during the audit period for the Company.

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

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

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

I further report that:

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

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



- Mr. Y.V. Prashanth was appointed as an Additional Director and Executive Director on 10 November, 2022 and his appointment was approved by the shareholders at the EGM held on 15 December, 2022.
- 2. Adequate notice is given to all directors to conduct the Meetings of Board and its committees. Detailed notes on agenda were sent and financials were sent at shorter period in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- 3. All decisions at Board Meeting and committee meetings were carried out unanimously as recorded in the minutes of the meeting and there were no instances of dissenting members in the board and committee meetings.
- 4. During the year, the Company had entered into related party transactions at arm's length price with the approval of the audit committee and Board.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. as referred to above.

Place: Hyderabad
Date : 27 May, 2023

CS B. Venkatesh Babu
Company Secretary
FCS No. 6708, CP.No. 5103
Peer Review No. 1954/2022
UDIN F006708E000393534

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

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT**

To

The Members of

M/s. Alkali Metals Limited

Hyderabad.

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

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

Place : Hyderabad
Date : 27 May, 2023

CS B. Venkatesh Babu
Company Secretary
FCS No. 6708, CP.No. 5103
Peer Review No. 1954/2022
UDIN F006708E000393534

**Secretarial Compliance Report of ALKALI METALS LIMITED
for the financial year ended 31 March, 2023**

I have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by ALKALI METALS LIMITED (CIN:L27109TG1968PLC001196) (hereinafter referred as ‘the listed entity’), having its Registered Office at B-5, Block III, IDA, Uppal, Hyderabad 500039, Secretarial Review was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide my observations thereon.

Based on my verification of the listed entity’s books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, I hereby report that the listed entity has, during the review period covering the financial year ended on 31 March, 2023 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter:

ICS B. Venkatesh Babu, have examined:

- (a) all the documents and records made available to me and explanation provided by M/s. Alkali Metals Limited (“the listed entity”),
- (b) the filings/submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this report, for the financial year ended 31 March, 2023 (“Review Period”) in respect of compliance with the provisions of:
 - (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
 - (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

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

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



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

- I (a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations / circulars / guidelines including specific clause)	Regulation / Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Re-marks of the Practising Company Secretary	Management Response	Remarks
	Nil					Advisory/ Clarification/ Fine/ Show Cause Notice/ Warning, etc.				

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

Sr. No.	Compliance Requirement (Regulations/ circulars/ guide lines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Re-marks of the Practising Company Secretary	Management Response	Remarks
	Nil					Advisory/ Clarification/ Fine / Show Cause Notice/ Warning, etc.				

Note : In the Last report waiver of fine from BSE is awaited for not having 6th Director during 1 October , 2020 to 11 February, 2021 and the same was also confirmed the BSE during the reporting period.

- II. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18 October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS*
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
i.	If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	NA	As there is no change of auditor during the reporting period, this point is not applicable
ii.	If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or	NA	
iii.	If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	



2. Other conditions relating to resignation of statutory auditor			
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:		
	a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.	NA	As there is no resignation of auditor during the reporting period, this point is not applicable
	b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable.	NA	
	c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.	NA	
	ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor	NA	
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18 October, 2019.	NA	As there is no resignation of auditor during the reporting period, this point is not applicable

III. I here by report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS*
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI 	Yes	
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> The Listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website 	Yes	



4.	Disqualification of Director: None of the Director(s) of the Company is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	
5.	Details related to Subsidiaries of listed entities have been examined w.r.t.: a) Identification of material subsidiary companies b) Disclosure requirement of material as well as other subsidiaries	Yes	Company don't have any subsidiary Companies, not required to comply this clause
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	
8.	Related Party Transactions: a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	
11.	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein (**).	Yes	
12.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	Yes	

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

CS B. Venkatesh Babu

Company Secretary

FCSNo.:6708

CPNo.:5103

PRNo.:1954/2022

UDIN :F006708E000393633

Place : Hyderabad

Date : 27 May, 2023



ANNEXURE -5
Annual Report on CSR Activities

1. Brief outline on Corporate Social Responsibility (CSR) Policy of the Company.

The CSR policy of the Company intends to create a positive societal impact while the economic activities are carried out. This Policy covers current as well as proposed CSR activities to be undertaken by the Company. The activities are in alignment with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only which include:

- To provide education for all round development of the needy people
- To contribute to the development of the under-privileged.
- To provide health care, medical facilities and financial assistance for health and medical purposes to the needy people
- To carry out such other activities as specified in Schedule VII of the Companies Act,2013

2. Composition of CSR Committee:

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i.	Sri K.V. Suryaprakash Rao	Independent Director	2	2
ii.	Sri Y.S.R. Venkata Rao	Managing Director	2	2
iii.	Sri G. Jayaraman	Independent Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

<https://www.alkalimetals.com/uploads/Financials/Corporate-Social-Responsibility-Policy.pdf>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) – Not Applicable

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

S. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
i.	NIL		

6. Average net profit of the Company as per section 135(5)- ₹ 658.31 Lakhs



7. (a) Two percent of average net profit of the company as per section 135(5) – ₹ 4.38 Lakhs
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - Nil
 (c) Amount required to be set off for the financial year, if any- Nil
 (d) Total CSR obligation for the financial year (7a+7b-7c)- ₹ 4.38 Lakhs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹ Lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
5	NIL		NIL		

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Financial assistance for Education Purpose	(ii)	Yes	Both telugu states of Telangana and Andhra Pradesh		5	No	Dr. Y.V.S. Murty Charitable Trust	CSR00034920
	Total					5			



- (d) Amount spent in Administrative Overheads- Nil
(e) Amount spent on Impact Assessment, if applicable- Nil
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)- ₹ 5 Lakhs
(g) Excess amount for set off, if any ₹ 0.62 Lakhs

Sl. No.	Particular	Amount (in ₹ Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	4.38
(ii)	Total amount spent for the Financial Year	5.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.62
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)- (iv)]	0.62

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ Lakhs)	Amount spent in the reporting Financial Year (in ₹ Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years.
				Name of the Fund	Amount (in ₹ Lakhs)	Date of transfer.	
1.							

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

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – Not Applicable.
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)- Not Applicable

For and on behalf of
Alkali Metals Limited

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

K.V. Suryaprakash Rao
Independent Director and
Chairman of CSR Committee
DIN: 06934146

Place : Hyderabad
Date : 27 May, 2023



MANAGEMENT DISCUSSION AND ANALYSIS

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

ECONOMY REVIEW

As per studies, Indian Speciality Chemical Industry is likely to see a robust growth in the coming years. The Indian specialty chemicals industry has expanded exponentially in recent years. It represents 22 per cent of India's overall chemicals and petrochemicals market and is valued at USD 32 billion. The Industry was expected to grow on predicted lines. Apart from the usual agro chemicals industry, the dyes and pigments, cosmetics and personal care industry was expected to grow. However, the recessionary conditions in Europe and geo political scenario have contributed to high raw material and logistics cost thereby slowing down the demand. The global supply chain was once again affected and this continued to have an effect. The domestic market too has seen sluggish demand. The recent opening of Chinese Markets offers hope that the current situation improves. It is estimated that the speciality chemical section will be primarily export-oriented and play a significant role in the overall macroeconomics. The Government is focussing on giving export benefits, tax advantages, and capital subsidies to add thrust to the ongoing growth.

OUTLOOK

India is expected to account for more than 20% of incremental global consumption of chemicals over the next two decades. The Indian Chemical Industry has been modernizing through new molecules, innovations in technology, product profile, and quality to emerge as a modern World class Chemical industry ready to take on global competition. The Company hopes to understand the demand and develop new products through continuous R&D.

POTENTIAL PITFALLS

- Recessionary/Inflationary effects in many countries resulting in global slowdown
- Geo political situation across the European Countries and moderate growth in key export markets due to sanctions imposed therein
- Stiff price competition resulting in difficulty in maintaining margin
- Weak domestic demand

PRODUCT PERFORMANCE

All the products have performed in similar manner as compared to the previous year. The Company has sold 726 MT of finished products during 2022-23 and realized a turnover ₹ 8, 639 Lakhs. The Company sold sodium derivatives, pyridine derivatives and fine chemicals. The Company plans to continue its effort in developing new products.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

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

- Efficient use and safeguarding resources
- Accurate recording and custody of assets
- Compliance with prevalent statutes, policies, procedures, listing requirements, management guidelines and circulars.



- Transactions being accurately recorded ,cross verified and promptly reported
- Adherence to applicable accounting standards and policies.
- IT systems which include controls for facilitating the above.

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

OPERATIONAL PERFORMANCE

- The Company made a comprehensive profit of ₹ 287.59 lakhs
- The Company made a profit before tax and exceptional items of ₹ 386.06 lakhs
- The book value per share stands at ₹ 51.16/- as on 31.03.2023 (₹ 50.33 previous year).
- The exports contributed to 65% of the total turnover
- Net foreign exchange earnings of ₹ 4,516.81 Lakhs

HUMAN RESOURCE DEVELOPMENT

The management believes that competent and committed human resources are important to attain success in the organisation. The Company believes in creating a pool of talent within its people whose skills, expertise and experience provide the impetus towards market leadership. The Company's human resource practices are widely accepted by the management, staff and workers. During the year under review, the Industrial relations with Employees/ workers at all the Company's locations continued to be harmonious and positive.

CAUTIONARY AND FORWARD LOOKING STATEMENT

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

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

Place : Hyderabad
Date : 27 May, 2023

Dr. J.S. Yadav
Chairman
DIN: 02014136

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



REPORT ON CORPORATE GOVERNANCE

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

CORPORATE GOVERNANCE PHILOSOPHY OF THE COMPANY

Corporate Governance envisages working towards high levels of transparency, accountability, consistent value systems, delegation across all facets of its operations leading to sharply focused and operationally efficient growth. The Company's approach to corporate governance and the role it plays goes well beyond meeting our compliance obligations. The Company strives to be transparent, ethical and maintain high level of integrity in the conduct of its business and also in its interactions with stakeholders, including shareholders, employees, customers, suppliers and statutory authorities.

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

1. BOARD OF DIRECTORS

Composition

The Board is committed to the highest standards of ethics and integrity. The Directors abide by the 'Code of Conduct'. It consists of seven Directors as on 31 March, 2023 of which;

- three are Independent Directors;
- two Non Executive and Non Independent Directors of which one is a Woman Director
- one is Executive Director and
- one is Managing Director.

The day-to-day management of the Company was carried on by the Managing Director and Executive Director of the Company.

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

- i. Dr. J.S. Yadav- is expert in the field of Organic and Inorganic chemistry, R&D and Administration.
- ii. Sri. Y.S.R. Venkata Rao- has played pivotal role in the growth of the Company and possesses the expertise in Manufacturing, Pharmaceutical Sector, Marketing, Finance, Business Strategies Administration and Leadership to lead the Company.
- iii. Sri. G. Jayaraman- is multi-faceted and experienced across information technology, textiles, cement and pharmaceuticals industries in the areas like finance, accounts, secretarial, legal and administration functions.
- iv. Sri. K.V. Suryaprakash Rao- has vast experience in the field of promoting Research & Development, academia and administration.
- v. Mrs. Y.V. Lalithya Poorna – she has experience in Chemical and Pharmaceutical sector
- vi. Dr A.R. Prasad – holds a Ph.D in Organic Chemistry and has a vast experience in R&D and formulations in chemical industry.
- vii. Mr. Y.V. Prashanth - holds a MS in Pharmacy and has experience in the field of Liquidity Management, Client Development, Marketing, Receivables and Payables Management and administration.



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

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

Number of Board Meetings:

During the year (1 April, 2022 to 31 March, 2023) the Board met four times i.e. on 24 May, 2022, 5 August, 2022, 10 November, 2022 and 13 February, 2023 wherein the gap between two consecutive board meetings was less than 120 days in all cases.

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

Composition, Attendance Record and Directorships held:

S. No.	Name of the Director	Category / Status of Directorship.	No. of Board Meetings attended during the year	No. of Directorship(s) in other Companies	No. of Committee position held in other Listed Companies		Attendance at the AGM held on 22 August, 2022
					Chairman	Member	
i.	Dr. J.S. Yadav	Chairman & Independent Director	4	2	0	0	Yes
ii.	Sri. G. Jayaraman	Independent Director	4	2	0	0	Yes
iii.	Sri. Y.S.R. Venkata Rao	Managing Director	4	2	0	0	Yes
iv.	Sri. K.V. Suryaprakash Rao	Independent Director	4	0	0	0	Yes
v.	Smt. Y. Lalithya Poorna	Non-Independent & Non-Executive Director	2	3	0	0	No
vi.	Dr. A.R. Prasad	Non-Independent & Non-Executive Director	4	1	0	0	Yes
vii.	Mr. Y.V. Prashanth	Executive Director	1	3	0	0	NA

Notes:

- Other Directorships exclude foreign companies and
- Sri Y.S.R. Venkata Rao is the Promoter of the Company holding 69,04,715 shares in the Company, his daughter Smt. Y. Lalithya Poorna is a Non-Executive Woman Director and his son Mr. Y.V. Prashanth is an Executive Director.
- Smt Y. Lalithya Poorna holds 1,10,000 shares in the Company.
- The existing Directors as on date are holding directorship in this listed entity only.
- Mr. Y.V. Prashanth's appointment was approved by the members in the EGM held on 15 December, 2022.

**INDEPENDENT DIRECTOR DATABANK REGISTRATION**

Pursuant to a notification dated 22 October, 2019 issued by the Ministry of Corporate Affairs, all the Independent Directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

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

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

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

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 22 August 2022

During the year, the Audit Committee met 4 (Four) times and the attendance of members is as follows:

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

II. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) is headed by Sri K.V. Prakash Rao, Independent Director. The other members of the Committee are Dr. J.S. Yadav, Sri G. Jayaraman and Dr. A.R. Prasad.

The NRC has reviewed and evaluated the performance evaluation criteria for Board and its Committees and Directors including Independent Directors as per SEBI Circular dated January 5, 2017. Further, the NRC recommends appointment/ reappointment of Directors and any remuneration/fee to be paid to Directors and also the appointments of employee's one level below the Board of Directors and KMP along with the remuneration to be paid to them. The remuneration is fixed keeping in mind the person's track record, his/ her potential individual performance, the market trends and scales prevailing in the similar industry.



During the financial year 2022-23, the NRC had met two times and the attendance of members is as follows:

S. No.	Name of the Member	Category	No. of Meetings Attended
a.	Sri. K.V. Suryaprakash Rao	Independent Director	2
b.	Sri. G. Jayaraman	Independent Director	2
c.	Dr J.S. Yadav	Independent Director	2
d.	Dr. A.R. Prasad	Non-Executive Non-Independent Director	2

Nomination and Remuneration policy

The objectives of the Policy

- i. To laid down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions.
- ii. To determine remuneration to Directors, KMP and other senior Employees based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
- iii. To carry out evaluation of the performance of Directors.
- iv. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- v. Any other matter as the Board may decide from time to time.

Mechanism for Evaluation of Board

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

Criteria for evaluation Directors/ KMP/ Senior Employees

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

**iii. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

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

The SRC deals with the requests for approving share transfer, transmissions, issue of duplicate share certificates, re-materialisation of shares and other specific requests from shareholders. It also addresses the investor grievances if any. Further, it also reviews the performance of the Registrar and Share Transfer Agents. The Company had received requests for revalidation of dividend warrants and for physical copies of the Annual Report. The requests were attended accordingly. Furthermore, the Company is registered under the SCORES SEBI Complaints Redress System (SCORES) (vide Circular Ref: CIR/OIAE/2/2011 dated June 3 2011) which is a web based platform to help investors to lodge their complaints if any. All complaints received by SEBI against listed companies are dealt through SCORES. As such there were no complaints received on the platform against the Company.

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

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

iv. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company had earned a profit of more than ₹ 5 crores during the Financial year 2021-22 thereby the provisions of the Section 135 of the Companies Act, 2013 were applicable to the Company from the Financial Year 2022-23. Thereby a Corporate Social Responsibility Committee (CSR) was formed during the year under review.

The Corporate Social Responsibility Committee (CSR) is headed by Sri K.V.Suryaprakash Rao. The other members of the Committee are Sri Y.S.R. Venkata Rao and Sri G. Jayaraman.

The CSR Committee is entrusted with the following functions namely; Formulate CSR Policy and recommend the same to the Board of Directors, recommendation of CSR activities in line with Schedule VII of the Companies Act 2013, recommendation of CSR Budget, spending the approved CSR contribution/monitor if used the implanting agency service and submit the report in respect of CSR activities to the Board. The CSR Committee's composition is as per the provisions of the Companies Act 2013.

During the year under review, CSR Committee met two times and the attendance of members is as follows:

S. No.	Name of the Member	Category	No. of Meetings Attended
a.	Sri. KV Suryaprakash Rao	Independent Director	2
b.	Sri Y.S.R. Venkata Rao	Managing Director	2
c.	Sri. G. Jayaraman	Independent Director	2

**3. MEETING OF INDEPENDENT DIRECTORS**

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

4. REMUNERATION PAID TO DIRECTORS

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

Details of Remuneration paid to Directors during the financial year 2022-23**(All figures in ₹ Lakhs)**

S. No.	Name of the Director	Commission/ Consultancy	Remuneration	Sitting Fee	Total
1)	Dr. J.S.Yadav	--	--	4.35	4.35
2)	Sri. G. Jayaraman	--	--	4.55	4.55
3)	Sri. Y.S.R. Venkata Rao	21.91	86.46	--	108.37
4)	Smt. Y. Lalithya Poorna	--	--	1.25	1.25
5)	Sri. K.V. Surayaprakash Rao	--	--	4.55	4.55
6)	Dr. A.R. Prasad	12.00	--	2.95	14.95
7)	Mr. Y.V. Prashanth	8.19	21.15	--	29.34

5. ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETING

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

Annual General Meetings of the Company:

Year	Location	Date	Time
2019-20	Through VC hosted at Plot B-5, IDA, Uppal, Hyderabad – 500039	26 September 2020	12:00 Noon.
2020-21	Through VC hosted at Plot B-5, IDA, Uppal, Hyderabad – 500039	21 August 2021	11:15 A.M.
2021-22	Through VC hosted at Plot B-5, IDA, Uppal, Hyderabad – 500039	22 August 2022	11:00 A.M.

Extraordinary General Meeting(s) of the Company:

Year	Location	Date	Time
2021-22	Through VC hosted at Plot B-5, IDA, Uppal, Hyderabad – 500039	15 December 2022	11:00 A.M.

- i. An Extra-Ordinary General Meeting of the shareholders was held during the year.
- ii. No Postal Ballot was conducted during the year. None of the resolutions proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot.



- iii. Special Resolutions passed during the previous three Annual General Meetings:
- a. 52nd Annual General Meeting – 26 September 2020
Special Resolutions passed for the Re-appointment of Sri Y.S.R. Venkata Rao as a Managing Director w.e.f. 1 May 2021.
 - b. 53rd Annual General Meeting – 21 August 2021- No Special Resolution was passed.
 - c. 54th Annual General Meeting- 22 August 2022- No Special Resolution was passed.
- iv. In the last three Financial Years only one Extra Ordinary General Meeting during FY 2022-23 . was held on 15 December, 2022. The Special Resolution passed during this EGM was for the appointment of Mr. Y.V. Prashanth as Executive Director w.e.f. 10 November 2022.
- v. E-Voting/ Poll:
- E-Voting is conducted for all the business items covered in the above 3 Annual General Meetings in Compliance with the Listing Agreement. CS B. Venkatesh Babu was appointed scrutinizer in all the meetings and also the EGM.

DISCLOSURES

6. SUBSIDIARY COMPANIES

The Company has no subsidiary Company.

7. RISK MANAGEMENT

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

8. WHISTLE BLOWER POLICY

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

9. RELATED PARTY TRANSACTION

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

10. ACCOUNTING TREATMENT

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

**11. COMPLIANCES**

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

12. MEANS OF COMMUNICATION

The Quarterly, Half Yearly and Annual financial results are normally published by the Company in the leading newspapers in English version circulating substantially in the whole of India and in Telugu (being the Regional language) where the registered office is situated. The financial results are also placed on Company's website i.e. www.alkalimetals.com to access first-hand information about the financial information of the Company. Besides this as required under the SEBI (LODR) Regulations 2015 the said information is also sent to Stock exchanges (BSE & NSE).

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

The standards for business conduct provide that the directors and the senior management will uphold ethical values and legal standards as the Company pursues its objectives and that honesty and personal integrity will not be compromised under any circumstances. A copy of the said code of conduct is available on Company's website i.e. www.alkalimetals.com. The Board members and senior management personnel have affirmed compliance with the code of conduct for the financial year 2022-2023.

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

Date and time	21 August 2023
Venue	Through Video Conference
Book Closure Date	17 August 2023 to 21 August 2023 (both days inclusive)

ii. Financial Year : 1 April 2023 to 31 March 2024

Financial Calendar 2023 - 2024 (tentative)

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

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

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

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

iii. Particulars of Dividend for the year ended 31 March 2023 ₹ 2 per share as Final Dividend subject to approval of the shareholders at the ensuing AGM.**iv. Listing of Shares**

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

Note: Annual Listing fees for the year 2023-24 were duly paid to the above stock exchanges



a. Stock Market Data for the Financial Year 2022-23

(All figures in ₹)

Month	NSE			BSE		
	High	Low	Closing	High	Low	Closing
April 2022	109.65	77.35	96.70	108.55	79.70	94.95
May 2022	97.70	80.00	85.55	98.95	78.55	85.55
June 2022	85.80	72.00	75.60	86.95	74.50	76.55
July 2022	85.00	73.60	80.80	85.45	73.60	80.80
August 2022	96.80	81.80	92.85	96.75	82.30	92.75
September 2022	108.90	88.60	101.20	108.75	88.65	101.30
October 2022	153.70	98.50	121.15	154.00	102.00	121.05
November 2022	147.80	112.60	133.65	147.55	112.25	134.40
December 2022	148.80	104.05	128.00	148.00	104.15	128.05
January 2023	173.90	120.00	131.25	173.75	120.20	129.00
February 2023	135.00	107.35	107.35	135.45	107.20	107.20
March 2023	115.00	85.30	91.50	116.00	85.25	91.60

b. BSE Share Trade Information during Financial Year 2022-23

	April	May	June	July	August	September
No. of shares Traded	1,40,018	44,024	26,767	27,569	68,809	1,66,645
No. of Trades	3,194	640	617	1,153	2,600	4,676

	October	November	December	January	February	March
No. of shares Traded	6,98,135	4,80,143	3,13,751	5,45,063	63,547	56,169
No. of Trades	19,355	17,309	11,656	14,402	3,117	1,206

Total Traded Turnover on BSE - ₹ 3,340.93 Lakhs

c. NSE Share Trade Information during Financial Year 2022-23

	April	May	June	July	August	September
No. of shares Traded	5,89,906	1,15,036	1,14,031	1,55,038	6,75,492	9,94,427
No. of Trades	10,114	1,734	2,298	4,554	12,337	17,588

	October	November	December	January	February	March
No. of shares Traded	51,78,492	39,44,702	24,29,373	48,11,324	2,02,403	3,63,804
No. of Trades	94,670	80,942	61,466	80,421	4,029	10,024

Total Traded Turnover on NSE - ₹ 2,595.73 Lakhs.



d. Shareholding Pattern as on 31 March 2023

Category	Count	Merged Pan Count	No. of Shares	Percentage (%)
Clearing Member	15	12	8,195	0.0804
Corporate Body	60	57	35,783	0.3514
Directors/relative	2	2	70,494	0.6923
FPI	1	1	51,500	0.5058
IEPF	1	1	18,014	0.1769
NRI	144	143	1,89,421	1.8603
Promoter	1	1	69,04,715	67.8096
Resident	13,437	13,096	29,04,383	28.5232
Stock Broker	1	1	1	0.0001
Overall Total:	13,662	13,314	1,01,82,506	100.0000

e. Distribution of Shareholding as on 31 March 2023

Category (Amount in ₹)	No. of Share Holders	% of Total Share Holders	No. of Shares	Value of Shares (₹)	% of Total Value
Between 10 - 5000	12,372	92.9247	10,70,997	1,07,09,970.00	10.5180
Between 5001 - 10000	503	3.7780	4,03,917	40,39,170.00	3.9668
Between 10001 – 20000	227	1.7050	3,26,187	32,61,870.00	3.2034
Between 20001 – 30000	77	0.5783	1,93,206	19,32,060.00	1.8974
Between 30001 – 40000	36	0.2704	1,30,313	13,03,130.00	1.2798
Between 40001 – 50000	29	0.2178	1,38,562	13,85,620.00	1.3608
Between 50001 -100000	38	0.2854	2,70,158	27,01,580.00	2.6532
> 100000	32	0.2403	76,49,166	7,64,91,660.00	75.1207
Overall Total:	13,314	100.0000	1,01,82,506	10,18,25,060.00	100.0000

Note: We have clubbed the number of members having common pan.

f. Registrar and Share Transfer Agents

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

**g. Share Transfer System**

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

h. Reconciliation of Share Capital Audit

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

i. Information in respect of transfer of shares to IEPF and unclaimed dividends due for remittance into Investor Education and Protection Fund (IEPF) is given below:

Under the provisions of the Companies Act, 2013 dividends that remain unclaimed for a period of seven years from the date of declaration are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government and also during the financial year 2017-18 MCA also notifies the transfer of under laying shares of unclaimed/unpaid dividend for seven years to IEPF account. Company transferred the unpaid interim dividend for FY 2015-16 to IEPF. With regard to transfer of under laying shares, followed the procedure laid down by issuing individual notices and paper advertisement for unclaimed/unpaid dividend laying shares pertains to financial year 2015-16 and transferred the 1672 Shares of ₹ 10 each belonging to 25 shareholders to IEPF account. The Voting rights of these shares will remain frozen till the rightful owner of such shares claim the shares.

Your Company will undertake necessary steps for transfer of final unclaimed/unpaid dividend laying shares pertains to financial year 2015-16 in accordance with the applicable provisions of the Act and Rules and ensure the transfer to IEPF account. Shareholders are required to claim the unpaid dividend if any immediately.

The unclaimed dividend as on 31 March 2023 with due date of transfer to IEPF is as follows:

Financial Year	Date of declaration	Date of transfer to IEPF
2015 -16 (final dividend)	30 July 2016	29 September 2023
2016-17	4 August 2017	3 September 2024
2017-18	30 June, 2018	29 July 2025
2018-19	3 August 2019	2 September 2026
2019-20 (interim dividend)	29 January 2020	28 February 2027
2020-21 (final dividend)	21 August 2021	20 September 2028
2021-22 (final dividend)	22 August 2022	21 September 2029

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

j. Plant Locations

The Company's plants are located at:

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

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

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

**k. Address for correspondence:**

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

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

16. NON-MANDATORY DISCLOSURES

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

- i. Company had appointed separate person to the position of Chairman and Managing Director.
- ii. The Internal Auditor (Independent firm of Chartered Accountants) of the Company directly reports to the Audit Committee.

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

I declare that the Company has received affirmation of compliance with the “Code of Business conduct for Directors and Senior Executives” laid down by the Board of Directors, from all the Directors and Senior Management Personnel of the Company, to whom the same is applicable, for the Financial Year ended 31 March 2023.

Place : Hyderabad
Date : 27 May, 2023

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



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

To
The Board of Directors
Alkali Metals Limited

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

1. We have reviewed the financial statements and cash flow statement for the financial year ended 31 March, 2023 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards (IndAs), applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31 March, 2023 are fraudulent, illegal or violative of the Company's code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps have been taken or proposed to be taken to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee
 - i. That there are no significant changes in internal control over financial reporting during the year;
 - ii. That there are no significant changes in Accounting Policies during the year; and
 - iii. That there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Hyderabad
Date : 27 May, 2023

K. Uma Kumari
Chief Financial Officer

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

**INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members of

Alkali Metals Limited

1. We, G Nagendrasundram & CO, Chartered Accountants, the Statutory Auditors of Alkali Metals Limited (“the Company”), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“SEBI Listing Regulations”).

Managements' Responsibility

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

Auditor's Responsibility

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

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended 31 March, 2023.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

B.N. Bharathi
Partner

M.No. 236639

UDIN:23236639BGYHKX3301

Place : Hyderabad

Date : 27 May, 2023

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

Alkali Metals Limited.,

B-5, IDA, Uppal, Hyderabad

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31 March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

S. No.	Name of Director	DIN	Date of appointment in Company
1.	Dr J.S. Yadav	02014136	31 March, 2008
2.	Sri G. Jayaraman	01461157	7 July, 2007
3.	Sri. K.V. Surya Prakash Rao	06934146	15 October, 2018
4.	Sri Y.S.R. Venkata Rao	00345524	1 July, 1991
5.	Mrs. Y. Lalithya Poorna	00345471	10 April, 2010
6.	Dr. A.R. Prasad	08765436	10 February, 2021
7.	Mr. Y.V. Prashanth	00345418	10 November, 2022

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

Place : Hyderabad
Date : 27 May, 2023

Signature:

Name: B. Venkatesh Babu

Membership No.: F6708

CP NO.: 5103, PR NO. 1954/2022

UDIN: F006708E000393666

**INDEPENDENT AUDITOR'S REPORT**

To the Members of

Alkali Metals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of ALKALI METALS LIMITED (“the Company”), which comprise the Balance Sheet as at 31 March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its Profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Other Information

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

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

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



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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure-1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid said financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the Directors as on 31 March, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure -2".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that the remuneration paid by the Company to its directors during the year, in our opinion and to the best of our information and according to the explanations given to us, is in accordance with the provisions of section 197 of the Act."



- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors), 2014, in our opinion and to the best of our information and according to the explanations given to us;
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements.
- ii. In our opinion and as per the information and explanations provides to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
- iii. There has been no delay in transferring the amounts required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. a. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 51 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 51 to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- i. The dividend declared and paid during the year by the company is in compliance of Sec.123 of the Companies Act, 2013.
- j. The Company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

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

B.N. Bharathi
Partner
M.No. 236639

Place : Hyderabad
Date : 27 May, 2023

UDIN:23236639BGYHKW2736

**ANNEXURE - 1 TO THE INDEPENDENT AUDITORS' REPORT:****(Referred to in Paragraph 1 under section 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

- 1.1.1. According to the information and explanations given to us, the Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- 1.1.2. According to the information and explanations given to us, the Company is maintaining proper records showing full particulars of intangible assets.
- 1.2. According to the information and explanations given to us, all the Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- 1.3. The title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.
- 1.4. According to the information and explanations given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- 1.5. According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2.1 According to the information and explanations given to us, the inventories have been physically verified at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- 2.2 The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of accounts of the Company.
3. According to the information and explanations given to us, company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the matters to be reported under the sub-clauses (a), (b), (c), (d), (e) and (f) are not applicable to the company.
4. According to the information and explanations given to us, the Company has not granted any loans, has not made any investments, nor given any guarantee or security to parties covered under the provisions of Section 185 and 186 of the Companies Act.
5. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits, requiring compliance under the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
6. According to the information given to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act and in our



opinion, prima facie, such accounts and records have been so made and maintained. However, we have not carried out any detailed examination of such accounts and records.

- 7.1 According to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income tax, sales tax, service-tax duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

According to the information and explanations given to us, there are no arrears of outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable except Customs duty of ₹ 10.98 lakhs.

- 7.2 According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of dispute except the following:

Nature of the Statute & Nature of due	Amount in ₹ Lakhs	Period	Forum where litigation is pending
The department of GST Telangana has raised demand pertaining to Input Tax Credit & Penalties	15.24	F Y 2017-18 and F Y 2018- 19	GST - Appellate Authority
The department of GST Andhra Pradesh has raised demand pertaining to Input Tax Credit & Penalties	0.93	F Y 2017-18	GST - Appellate Authority

8. According to the information and explanations given to us, there are no transactions that are not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the income Tax Act, 1961.
- 9.1 According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- 9.2 According to the information and explanations given to us, the company is not declared as a wilful defaulter by any bank or financial institution or other lender.
- 9.3 According to the information and explanations given to us, the term loans taken during the year were applied for the purpose for which loans were obtained.
- 9.4 According to the information and explanations given to us, the funds raised by the company on short-term basis have not been utilised for long-term purposes.
- 9.5 According to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- 9.6 According to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- 10.1 According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer, during the year under audit.



- 10.2 According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) during the year under review. Hence, compliances of reporting requirement under Section 42 and Section 62 of the Companies Act, 2013, whether the funds raised have been used for the purposes for which they were so raised, is not applicable to the Company.
- 11.1 According to the information and explanations given to us and based upon the audit procedures performed by us, any fraud by the Company has not been noticed during the year. However, as per information given by the Company, cyber fraud has happened upon the Company involving an amount of ₹.15.65 Lakhs during the year.
- 11.2 According to the information and explanations given to us and based upon the audit procedures performed by us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the Auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- 11.3 According to the information and explanations given to us, the company has not received any whistle-blower complaints during the year, and hence, considering the same by us does not arise.
12. As the Company is not a Nidhi Company under the provisions of the Companies Act, 2013 read with Nidhi Rules, 2014, the matters to be reported under sub-clauses (a), (b) and (c) of clause (xii) are not applicable to the Company.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with the provisions of Section 177 and 188 of the Companies Act wherever applicable. According to the information given to us, details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14.1 In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- 14.2 We have considered the reports of Internal Auditors for the period under audit.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence, reporting requirement on compliance with the provisions of Section 192 of the Companies Act is not applicable.
16. According to the information and explanations given to us and in our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. As the Company is not engaged in any non-banking financial or housing finance activity, nor is a Core Investment Company nor having more than one Core Investment Company as part of the Group, the matters to be reported under sub-clauses (b), (c) and (d) of clause (xvi) are not applicable to the Company.
17. The Company has not incurred cash losses during the financial covered by audit and in the immediately preceding financial year.
18. There is no resignation of the Statutory Auditors during the year.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of



Directors and the management and in our opinion and based upon our examination of the evidence supporting the assumptions furnished to us, no material uncertainty exists as on the date of audit report that the company is capable of meeting its liabilities existing at the date of balance sheet date as and when they fall due within a period of one year from the balance sheet date.

20. According to the information and explanations given to us, during the year the Company has spent required CSR funds and transfer of funds to a Fund specified in Schedule VII to the Companies Act, as the provisions of Sec.135 do not arise.

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

B.N. Bharathi
Partner

M.No. 236639

UDIN:23236639BGYHKW2736

Place : Hyderabad
Date : 27 May, 2023

**ANNEXURE – 2 TO THE INDEPENDENT AUDITOR’S REPORT:**

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

We have audited the internal financial controls over financial reporting of **ALKALI METALS LIMITED** (“the Company”) as of 31 March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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



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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion:

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

B.N. Bharathi
Partner

M.No. 236639

UDIN:23236639BGYHKW2736

Place : Hyderabad
Date : 27 May, 2023

**BALANCE SHEET AS AT MARCH 31, 2023**

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
I. ASSETS			
1. NON-CURRENT ASSETS			
a. Property, Plant and Equipment	4	4,449.92	4,563.20
b. Right to Use Asset	5	497.39	63.84
c. Capital Work-in-progress	6	132.67	62.74
d. Intangible Assets	7	-	-
e. Financial Assets			
i. Other Financial Assets	8	101.55	80.58
f. Deferred Tax Assets	9	525.08	459.95
g. Other Non Current Assets	10	23.54	45.00
		5,730.16	5,275.31
2. CURRENT ASSETS			
a. Inventories	11	2,822.40	2,569.95
b. Financial Assets			
i. Trade Receivables	12	1,369.19	1,339.63
ii. Cash and Cash Equivalents	13	109.80	200.88
iii. Other Bank Balances	14	21.10	55.69
iv. Other Financial Asset	15	2.26	1.92
c. Other Current Assets	16	498.09	508.56
		4,822.85	4,676.62
Total Assets		10,553.01	9,951.93
II. EQUITY AND LIABILITIES			
1. EQUITY			
a. Equity Share Capital	17	1,018.25	1,018.25
b. Other Equity	18	4,268.45	4,190.01
		5,286.70	5,208.26
2. NON-CURRENT LIABILITIES			
a. Financial Liabilities			
i. Borrowings	19	97.82	200.51
ii. Lease Liabilities	20	417.24	-
b. Provisions	21	25.41	25.38
c. Deferred Tax Liability (Net)	22	383.45	298.06
d. Other Non Current Liabilities	23	125.55	424.37
		1,049.47	948.33
3. CURRENT LIABILITIES			
a. Financial Liabilities			
i. Borrowings	24	1,760.46	1,516.73
ii. Lease Liabilities	25	106.45	63.62
iii. Trade Payables	26	1,845.22	1,738.72
iv. Other Financial Liabilities	27	5.50	16.55
b. Other Current Liabilities	28	408.56	364.49
c. Provisions	29	43.60	31.39
d. Current Tax Liabilities	30	47.05	63.90
		4,216.83	3,795.33
Total Equity And Liabilities		10553.01	9,951.93

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

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

B.N. Bharathi
Partner
M. No.236639

Place : Hyderabad
Dated: May 27, 2023

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

K. Uma Kumari
Chief Financial Officer

For and on Behalf of Board of Directors
Alkali Metals Limited

Dr. J.S. Yadav
Chairman
DIN: 02014136

Siddharth Dubey
Company Secretary

**STATEMENT OF CHANGES IN EQUITY****A. Equity****i. Current Reporting Year Ended March 31, 2023**

(₹ in Lakhs)

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

ii. Previous Reporting Year Ended March 31, 2022

(₹ in Lakhs)

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

B. Other Equity**i. Current reporting Year**

(₹ in Lakhs)

Particulars	Reserves and Surplus						Total
	Securities Premium	General Reserves	Investment subsidy	Retained Earnings	Revaluation Surplus	Other items of Other Comprehensive Income (Specify Nature)	
Balance at the beginning of the current reporting period - April 1,2022	2,371.50	913.44	10.00	811.70	83.37	-	4,190.01
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of current reporting period	-	-	-	-	-	-	-
Total Comprehensive Income for the Current Year	-	-	-	282.09	-	-	282.09
Dividends	-	-	-	(203.65)	-	-	(203.65)
Transfer to retained earnings	-	-	-	-	-	-	-
Any other change (to be Specified)	-	-	-	-	-	-	-
Balance at the end of the current reporting period - March 31, 2023	2,371.50	913.44	10.00	890.15	83.37	-	4,268.45

**2. Previous Reporting Year**

(₹ in Lakhs)

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

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

For and on Behalf of Board of Directors
Alkali Metals Limited

B.N. Bharathi
Partner
M. No.236639

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

Dr. J.S. Yadav
Chairman
DIN: 02014136

Place : Hyderabad
Dated: May 27, 2023

K. Uma Kumari
Chief Financial Officer

Siddharth Dubey
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023** (₹ in Lakhs)

Particulars	Note No.	Year ended 31.03.2023	Year ended 31.03.2022
1. REVENUE			
a. Revenue from Operations	31	8,823.27	9,101.59
b. Other Income	32	113.86	29.09
Total Revenue		8,937.13	9,130.68
2. EXPENSES			
a. Cost of Materials Consumed		3,964.62	3,751.57
b. Changes in Inventories of Finished Goods Work-in-Progress and Stock-in-Trade	33	(229.87)	93.50
c. Employee Benefits Expense	34	1,316.58	1,236.64
d. Finance Costs	35	266.60	263.13
e. Depreciation & Amortisation Expenses	36	429.30	385.87
f. Corporate Social Responsibility Expenses	37	5.00	-
g. Other Expenses	38	2,798.85	2,881.52
Total Expenses		8,551.07	8,612.24
3. Profit for the year before exceptional items & tax		386.06	518.44
4. Exceptional Items	39	9.41	15.03
5. Profit Before Tax		376.66	503.41
6. Tax Expense			
a. Current Tax (MAT)		65.12	84.89
Less: MAT Credit Entitlement		(65.12)	(84.89)
b. Tax Pertaining to Earlier Years		(0.02)	-
c. Deferred Tax For The Year		85.39	155.33
Total Tax Expenses		85.37	155.33
7. Profit / (Loss) for the year		291.28	348.08
8. Other Comprehensive Income (net)			
Items that will not be reclassified to P&L a/c			
Remeasurement of defined benefit plan		(9.19)	4.70
Current Tax (MAT)		-	0.78
Less: MAT Credit Entitlement		-	(0.78)
		(9.19)	4.70
9. Total Comprehensive Income / (Loss) for the year (7+8)		282.09	352.78
10. Earnings Per Share			
Face Value ₹ 10/- per share			
i Basic		2.77	3.46
ii Diluted		2.77	3.46

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

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

For and on Behalf of Board of Directors
Alkali Metals Limited

B.N. Bharathi
Partner
M. No.236639

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

Dr. J.S. Yadav
Chairman
DIN: 02014136

Place : Hyderabad
Dated: May 27, 2023

K. Uma Kumari
Chief Financial Officer

Siddharth Dubey
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023**

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
A. CASH FLOWS FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before tax and exceptional items		386.06		518.44
Exceptional items - income / (expenditure) *		(9.41)		(15.03)
Other comprehensive income (net)		(9.19)		4.70
Total comprehensive income before tax		367.47		508.11
Adjustments for				
Depreciation	348.31		340.27	
Amortisation of intangible assets	-		6.47	
Amortisation of Right to Use Assets	80.99		39.13	
Loss on sale of assets	-		7.83	
Profit on sale of Fixed Assets	-		(0.66)	
Assets written off	9.41		15.03	
Interest income	(6.73)		(1.97)	
Interest expense	266.60		263.13	
Excess Provision written back	(13.77)		-	
Deffered Grant Written Back	(9.55)			
Other Income	(0.49)	674.76		669.22
Operating profit before working capital changes		1,042.23		1,177.33
(Increase)/decrease in sundry debtors	(29.56)		(141.01)	
(Increase)/decrease in inventories	(252.45)		245.97	
(Increase)/decrease in loans & advances	1.04		(173.50)	
Increase/(decrease) in current liabilities	378.66		(51.74)	
Increase/(decrease) in Provision	0.02		10.26	
(Increase)/decrease in Other Financial Assets	(20.98)		(1.86)	
		76.73		(111.87)
Cash generated from operations		1,118.96		1,065.46
Income tax paid net of refunds		-		53.99
Income tax adjustments		-		-
Net cash flow from operating activities (A)		1,118.96		1,119.45
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant and Equipment	(314.37)		(290.10)	
Sale proceeds of Property, Plant and Equipment	-		3.74	
Interest received	0.39		1.97	
Net cash flow from investing activities (B)		(313.97)		(284.39)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment/proceeds of long-term borrowings	(102.69)		(166.75)	
(Increase)/decrease in working capital borrowings	-		-	
Repayment of loans	(298.83)		(131.22)	
Repayment of Lease Rent	(85.73)		(33.76)	
Dividend payment	(203.65)		(87.07)	
Interest paid	(205.16)		(263.13)	
Net cash flow used in financing activities (C)		(896.06)		(681.94)
Net Increase in Cash and Cash Equivalents (A+B+C)		(91.07)		153.12
Cash and cash equivalents as at the beginning of the period		200.88		47.75
Cash and cash equivalents at end of the period		109.80		200.88
Cash and cash equivalents				
Cash on hand		5.40		3.43
Balances with banks in current account		104.40		197.45
Total		109.80		200.88

Notes to the cash flow statement for the year ended March 31, 2023

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

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

For and on Behalf of Board of Directors
Alkali Metals Limited

B.N. Bharathi
Partner
M. No.236639

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

Dr. J.S. Yadav
Chairman
DIN: 02014136

Place : Hyderabad
Dated: May 27, 2023

K. Uma Kumari
Chief Financial Officer

Siddharth Dubey
Company Secretary



1. COMPANY OVERVIEW

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

2. BASIS OF PREPARATION AND MEASUREMENT

i. Statement of Compliance

The financial statements for the year ended March 31, 2023 have been prepared in accordance with Indian Accounting Standards (“Ind AS”) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

ii. Accounting Convention and Basis of Measurement

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

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

iii. Functional and Presentation Currency

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

iv. Use of Judgements, Estimates and Assumptions

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

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

- a. Useful lives of property, plant, equipment and intangibles
- b. Measurement of defined benefit obligations
- c. Measurement and likelihood of occurrence of provisions and contingencies
- d. Recognition of deferred tax assets/liabilities
- e. Impairment of intangibles
- f. Expenditure relating to research and development activities.

**v. Operating Cycle**

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

3. SIGNIFICANT ACCOUNTING POLICIES**i. Property Plant and Equipment**

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

ii. Intangible Assets

- a. Intangible asset is recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Expenditure incurred for creating infrastructure facilities where the ownership does not rest with the Company and where the benefits from it accrue to the Company over a future period is also considered as intangible asset.
- b. New product development expenditure, software licences, technical knowhow fee, infrastructure and logistic facilities etc., are recognised as intangible asset upon completion of development and commencement of commercial production.
- c. Intangible assets are amortised on straight line method over their technically estimated useful life.



- d. Residual values and useful lives for all intangible assets are reviewed at each reporting date. Changes if any are accounted for as changes in accounting estimates.

iii. Impairment of Asset**a. Financial Assets**

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

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

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

b. Non – financial assets

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

iv. Inventories

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

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

v. Foreign Currency Transactions

- a. Transactions relating to non-monetary items and purchase and sale of goods /services denominated in foreign currency are recorded at the exchange rate prevailing or a rate that approximates the actual rate on the date of transaction.
- b. Assets and liabilities in the nature of monetary items denominated in foreign currencies are translated and restated at prevailing exchange rates as at the end of the reporting period.
- c. Exchange differences arising on account of settlement / conversion of foreign currency monetary items are recognised as expense or income in the period in which they arise.
- d. Foreign currency gains and losses are reported on a net basis.

vi. Revenue Recognition

While recognizing the revenue under Ind AS 115 in respect of Contracts which meet the defined criteria, due consideration has been given to identify all the performance obligations stated therein including transfer of goods or services as well as term of payment. The transaction price is allocated to each distinct and identifiable performance obligation and is also adjusted for the time value of money. In respect of goods, revenue is recognised on transfer of significant risks and rewards of the ownership including effective control of the buyer. In respect of all other



services/performance obligations, revenue is recognised upon of completion of such performance. The revenue so measured is stated net of trade discounts / rebated and other price allowances, wherever applicable. Other income including interest is recognised on accrual basis.

vii. Government Grants:

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

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

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

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

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

• Defined Benefit Plans

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

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

c. Long term Employee Benefits

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

ix. Borrowing Cost

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

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

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

b. Deferred Tax

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

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

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

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

c. Current and deferred Tax for the year

Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent there is reasonably certain that there will be sufficient future income to recover such Deferred Tax Asset.

xi. Minimum Alternate Tax Credit

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

xii. Research and Development

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

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

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

a. non-derivate financial instruments and b. derivative financial instruments.

a. Non-derivative financial instruments:

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

b. Derivative financial instruments:

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

xiv. Claims

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

xv. Leases:

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

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

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

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



(₹ in Lakhs)

4. PROPERTY, PLANT AND EQUIPMENT

S. No	Description	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
		As on 01.04.2022	Additions	Adjustments/deletions	As on 31.03.2023	As on 01.04.2022	For the period	Adjustments/deletions	As on 31.03.2023	As on 31.03.2022
i.	Land	692.30	-	-	692.30	-	-	-	692.30	692.30
ii.	Building	2,629.85	153.33	-	2,783.18	103.31	-	1,053.16	1,730.01	1,679.99
iii.	Plant & Equipment	4,042.02	81.47	10.81	4,112.68	187.91	10.27	2,434.17	1,678.51	1,785.49
iv.	Pollution Control Equipment	24.70	-	-	24.70	0.05	-	23.42	1.28	1.33
v.	Vehicles	32.96	-	-	32.96	16.86	2.57	19.43	13.54	16.10
vi.	Furniture & Fixture	60.71	-	1.59	59.13	35.50	5.32	39.31	19.81	25.22
vii.	Lab Equipment	171.32	-	1.22	170.10	22.19	16.16	37.18	132.92	149.14
viii.	Office Equipment	19.98	0.75	1.18	19.54	13.97	1.78	14.63	4.92	6.00
ix.	Computers	20.66	5.00	0.68	24.98	10.78	4.82	14.96	10.02	9.88
x.	R & D Equipment	906.12	-	70.46	835.65	757.53	21.86	712.45	123.21	148.59
xi.	R & D Lab Equipment	178.21	-	102.21	76.00	134.58	3.76	41.24	34.76	43.63
xii.	Safety Equipment	22.72	3.89	-	26.62	17.19	0.78	17.97	8.65	5.54
Total		8,801.56	244.43	188.16	8,857.84	4,238.36	348.31	4,407.92	4,449.92	4,563.20
Carrying Value as of 31.03.2022		8,910.10	269.98	378.51	8,801.56	4,250.67	340.27	4,238.36	4,563.20	4,659.43

5. RIGHT TO USE ASSET

Description	Gross Carrying Amount			Accumulated Amortization			Net Carrying amount	
	As on 01.04.2022	Additions	As on 31.03.2023	As on 01.04.2022	For the period	Adjustments/deletions	As on 31.03.2023	As on 31.03.2022
Right to Use Asset	102.97	514.54	617.51	39.13	80.99	-	120.12	497.39
Total	102.97	514.54	617.51	39.13	80.99	-	120.12	497.39
Carrying Value as of 31.03.2022	-	102.97	102.97	-	39.13	-	39.13	63.84


6. CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

Description	As on 01.04.2022	Additions During the Year	Capitalized During the Year	As on 31.03.2023
Civil Works in Progress	13.59	142.99	104.87	51.71
Other Assets	49.16	122.92	91.11	80.96
Total	62.74	265.91	195.98	132.67
Carrying Value as of 31.03.2022	42.61	290.10	269.98	62.74

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

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	
Projects in progress	85.56	13.59	33.53	-	132.67
Projects Temporarily suspended	Nil	Nil	Nil	Nil	Nil

7. INTANGIBLE ASSETS

Description	Gross Carrying Amount		Accumulated Amortization		Net Carrying amount	
	As on 01.04.2022	Additions 31.03.2023	As on 01.04.2022	For the Year	As on 31.03.2023	As on 31.03.2022
SAP Software Development	70.56	-	70.56	-	70.56	-
Total	70.56	-	70.56	-	70.56	-
Carrying Value as of 31.03.2022	70.56	-	64.09	6.47	70.56	6.47

**8. OTHER FINANCIAL ASSETS**

(₹ in Lakhs)

	31.03.2023	31.03.2022
Security Deposit	101.55	80.58
	101.55	80.58

9. DEFERRED TAX ASSETS (NET)

	31.03.2023	31.03.2022
MAT Credit Entitlement	525.08	459.95
	525.08	459.95

10. OTHER NON CURRENT ASSETS

	31.03.2023	31.03.2022
Income Tax Refund Receivable	0.77	-
Prepaid Expenses	22.77	
Capital Advances	-	45.00
	23.54	45.00

11. INVENTORIES

	31.03.2023	31.03.2022
<i>Valued at Cost or Net Realisable Value, whichever is lower (As Certified by Management)</i>		
Raw Materials	599.23	747.50
Work-in-progress	1,812.54	1,628.79
Finished Goods	97.22	51.10
Stores, spares, fuels and consumables	155.20	163.82
Stock in Transit(Raw-Material & Packing Material)	179.48	-
	2,843.67	2,591.22
Less Provision for Slow-Moving Inventory	(21.27)	(21.27)
	2,822.40	2,569.95

12. TRADE RECEIVABLES

	31.03.2023	31.03.2023
Considered good - Unsecured	1,369.19	1,339.63
	1,369.19	1,339.63

Trade Receivable Ageing Schedule

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	Total
Undisputed Trade receivables - considered good	1,369.19	-	-	-	1,369.19
Previous Year	1,339.63	-	-	-	1,339.63

13. CASH AND CASH EQUIVALENTS

	31.03.2023	31.03.2022
Balances with Banks- EEFC Account	104.40	197.45
Cash on Hand	5.40	3.43
	109.80	200.88

**14. OTHER BANK BALANCES**

(₹ in Lakhs)

	31.03.2023	31.03.2022
Margin Money Deposit in Banks	15.60	50.08
Unpaid Dividend Accounts	5.50	5.61
	21.10	55.69

15. OTHERS FINANCIAL ASSET

	31.03.2023	31.03.2022
Interest Receivable	2.26	1.92
	2.26	1.92

16. OTHER CURRENT ASSETS

	31.03.2023	31.03.2022
Balances With Revenue Authorities	420.52	436.23
Prepaid Expenses	63.87	57.47
Advances to Suppliers	7.74	8.67
Other Advances	5.97	6.18
	498.09	508.56

17. SHARE CAPITAL

	31.03.2023	31.03.2022
Authorised Share Capital		
1,50,00,000 Equity Shares of ₹ 10 Par Value	1,500.00	1,500.00
Issued, Subscribed and Paid-up Capital		
1,01,82,506 Equity Shares of ₹ 10 Par Value fully paid up	1,018.25	1,018.25
	1,018.25	1,018.25

Disclosures:

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

17.2. Names of shareholders holding more than 5% of the Share capital and their shareholding.

S.No.	Name of shareholder	No. of shares	No. of shares
i.	Sri. Y.S.R. Venkata Rao	69,04,715	69,04,715
	% of Holding	67.81%	67.81%

17.3 Shareholding of Promoters at the year ended 31.03.2023

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

18. OTHER EQUITY

(₹ in Lakhs)

	<i>31.03.2023</i>	31.03.2022
i. Securities Premium		
Balance at the beginning and at the end of the year	<i>2,371.50</i>	2,371.50
ii. Revaluation Reserve on Land		
Balance at the beginning and at the end of the year	<i>83.37</i>	83.37
iii. Capital Reserve - Investment Subsidy		
Balance at the beginning of the year	<i>10.00</i>	10.00
Add: Amount received during the year	-	-
Balance at the end of the year	<i>2,464.87</i>	2,464.87
iv. General Reserve		
Balance at the beginning of the year	<i>913.44</i>	913.44
Balance at the closing of the year	<i>913.44</i>	913.44
v. Surplus		
Balance of surplus in the statement of changes in Equity	<i>890.15</i>	811.71
Balance available for Appropriations	<i>890.15</i>	811.71
	<i>4,268.45</i>	4,190.01

19. BORROWINGS

	<i>31.03.2023</i>	31.03.2022
I. Unsecured		
Deferred payment liability - Interest free sales tax loan (Refer Note 19.1)	<i>60.72</i>	53.48
ii. Secured		
Long term Debt from Bank (Refer Note 19.2)	<i>37.11</i>	147.04
	<i>97.82</i>	200.51

Disclosures:
19.1 Deferred payment liability - Interest free sales tax loan

The Company was sanctioned Interest Free Sales Tax Deferment of ₹ 345.86 lakhs under Target – 2000 Scheme by the Government of Andhra Pradesh vide final eligibility Certificate No. LR 4/2001/0878/0878/ID dt. 24 July, 2001, for a period of 14 years starting from 20 March, 1999 to 19 March, 2013. The Company has availed itself of total Sales Tax Deferment of ₹ 269.79 Lakhs up to 31 March, 2013 and the same is shown as liability in the Balance Sheet. The repayment started from March, 2016 and the Company has made the payments as per the final eligibility certificate. No amount is payable in the financial year 2023-24 hence not shown under the Other Financial Liabilities under Current Liabilities Pursuant to requirement under Ind AS 109 on financial instruments and in view of the option exercised under Ind AS 101 on first time adoption of Ind AS, unwinding of interest using effective interest rate was made and the deferred grant carved out, from the said loan, is being amortised in equal installments over the remaining repayment period of the IFST loan.

**19.2 Secured Loans from Banks**

(₹ in Lakhs)

Particulars	Loan Amount Drawn (₹ in Lakhs)	No. of Installments Due	Rate of Interest P.A	Outstanding as on 31.03.2023 (₹ in Lakhs)
State Bank India - GECL	334.85	16	9.25%	150.01

Note: The above loan is secured at Pari-passu with working capital loan.

20. LEASE LIABILITIES

	31.03.2023	31.03.2022
Lease Liability	417.24	-
	417.24	-

21. PROVISIONS

	31.03.2023	31.03.2022
Provision for Employee Benefits Gratuity (Net of Funded)	1.45	-
Provision for earned Leave Encashment (Non funded)	23.95	25.38
	25.41	25.38

22. DEFERRED TAX LIABILITY

	31.03.2023	31.03.2022
Deferred Tax Liability	383.45	298.06
	383.45	298.06

Note: Refer to Note No. 43.2 B

23. OTHER NON-CURRENT LIABILITIES

	31.03.2023	31.03.2022
Deposit (Note 28)	-	98.94
Deferred Govt. Grant (Note 19.1)	38.21	47.77
Other Advances	-	177.34
Capital Creditors	66.89	71.29
Unpaid Interest to MSME Creditors (Note 26.1)	20.44	29.04
	125.55	424.37

24. BORROWINGS

	31.03.2023	31.03.2022
a. Loans repayable on demand from Banks -Secured (Note 24.1)		
Cash Credit Facility	865.67	887.41
Export Packing Credit	781.88	476.21
b. Current maturities of Long Term Debt from Bank - Secured (Note 19.2)	112.90	143.29
c. Current maturities of Long Term Debt from Bank -Unsecured	-	9.82
	1,760.46	1,516.73

**Disclosures:****24.1 - Terms and Conditions of Cash Credit**

i.	Period of maturity with reference to Balance Sheet date	<i>Renewable every year</i>	Renewable every year
ii.	Number of Installments Due	<i>Nil</i>	Nil
iii.	Amount Outstanding	<i>865.67</i>	887.41
iii.	Rate of Interest	<i>Base Rate plus 5.60% P.A</i>	Base Rate plus 5.60% P.A
iv.	Overdue amount and period	<i>Nil</i>	Nil
v.	Security Working Capital Loan from Bank and interest accrued on the loan are secured by hypothecation of raw materials, work in progress, finished goods, stores and spares and book debts of the Company and a first charge on all Movable and immovable properties and personal guarantee of the Managing Director of the Company.		

24.2 - Terms and Conditions of Export Packing Credit

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

i.	Amount Outstanding	<i>781.88</i>	476.21
ii.	Rate of Interest	<i>Base Rate plus 5.60% P.A</i>	Base Rate plus 5.60% P.A
iii.	Overdue amount and period	<i>Nil</i>	Nil
iv.	Security Working Capital Loan from Bank and interest accrued on the loan are secured by hypothecation of raw materials, work in progress, finished goods, stores and spares and book debts of the Company and a first charge on all Movable and immovable properties and personal guarantee of the Managing Director of the Company.		

25. LEASE LIABILITIES

(₹ in Lakhs)

	<i>31.03.2023</i>	31.03.2022
Lease Liability	<i>106.45</i>	63.62
	<i>106.45</i>	63.62

26. TRADE PAYABLES

	<i>31.03.2023</i>	31.03.2022
Total outstanding dues of :		
Micro enterprises & Small Enterprises (MSME)	<i>59.74</i>	70.79
Payables other than MSME	<i>1,785.48</i>	1,667.93
	<i>1,845.22</i>	1,738.72

26.1 Details relating to micro enterprises and small enterprises

MSME	<i>31.03.2023</i>	31.03.2022
i. Principal amount outstanding	<i>59.74</i>	70.79
ii. Interest outstanding at the beginning of the year	<i>29.04</i>	12.60
iii. Amount of interest paid	<i>11.99</i>	-
iv. Amount of interest due and payable for the period	<i>3.39</i>	16.44
v. Amount accrued and remaining unpaid at the end of the accounting year.	<i>20.44</i>	29.04

**Note:**

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

26.2 Trade Payable Ageing Schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	Total
(I) MSME	59.74	-	-	-	59.74
Previous Year	70.79	-	-	-	70.79
(ii) Others	1,688.71	45.09	51.68	-	1,785.48
Previous Year	1,663.33	4.60	-	-	1,667.93

27. OTHER FINANCIAL LIABILITIES

	31.03.2023	31.03.2022
Current Maturities of Deferred payment Liability -		
Interest free Sales Tax Loan (refer Note no.19.1)	-	8.16
Interest Accrued but not Due on Borrowings	-	2.78
Unpaid Dividend	5.50	5.61
	5.50	16.55

28. OTHER CURRENT LIABILITIES

	31.03.2023	31.03.2022
Statutory Dues Payable	53.28	79.20
Deposit*	123.38	-
Advance against Sales	43.04	1.58
Outstanding Expenses	188.86	283.65
	408.56	364.43

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

29. PROVISIONS

	31.03.2023	31.03.2022
Provision for earned Leave Encashment (Non funded)	2.52	2.94
Provision for Employee Benefits Gratuity (Net of Funded)	41.08	28.45
	43.60	31.39

30. CURRENT TAX LIABILITIES (NET)

	31.03.2023	31.03.2022
Current tax Liabilities	47.05	63.90
	47.05	63.90

**31. REVENUE FROM OPERATIONS**

(₹ in Lakhs)

	31.03.2023	31.03.2022
Sale of Products	8,638.53	8,981.53
Other Operating Revenue	184.74	120.05
	8,823.27	9,101.59

32. OTHER INCOME

	31.03.2023	31.03.2022
Interest earned	4.11	1.97
Other Non-operating Income		
-Gain on Foreign Currency Translation and Transactions	83.32	15.24
-Miscellaneous receipts	0.49	0.66
-Balances / Excess Provisions written back	13.77	-
-Deferred Government grant written back	9.55	9.55
-Interest On Rent Deposit	2.62	1.67
	113.86	29.09

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

	31.03.2023	31.03.2022
Work in Progress		
-Opening Stock	1,679.89	1,773.39
-Closing Stock	1,909.77	1,679.89
Decrease / (Increase)	(229.87)	93.50
Total Decrease / (Increase)	(229.87)	93.50

34. EMPLOYEE BENEFITS EXPENSE

	31.03.2023	31.03.2022
Salaries & Wages	1,253.71	1,180.56
Contribution to Provident and Other Funds	41.81	44.17
Staff Welfare Expenses	21.06	11.92
	1,316.58	1,236.64

35. FINANCE COSTS

	31.03.2023	31.03.2022
Interest	204.86	242.92
Interest on Income Tax	4.25	5.16
Other Borrowing Costs	8.14	10.62
Interest on Lease Liability	49.35	4.44
	266.60	263.13

**36. DEPRECIATION AND AMORTIZATION EXPENSE**

(₹ in Lakhs)

	<i>31.03.2023</i>	31.03.2022
Depreciation of Tangible Assets	<i>348.31</i>	340.27
Amortisation of Intangible Assets	-	6.47
Amortisation of Right to Use Asset	<i>80.99</i>	39.13
	<i>429.30</i>	385.87

37. CORPORATE SOCIAL RESPONSIBILITY EXPENSES

	<i>31.03.2023</i>	31.03.2022
Payment Made to other organization	<i>5.00</i>	-
	<i>5.00</i>	-

Disclosures:		
i. Gross Amount required to be spent by the company	<i>5.00</i>	-
ii. Amount approved by the Board to be spent during the year	<i>5.00</i>	-
iii. Amount spent during the year towards CSR Activities	<i>5.00</i>	-

38. OTHER EXPENSES

	<i>31.03.2023</i>	31.03.2022
Consumption of Stores and Spares	<i>350.24</i>	443.64
Power & Fuel	<i>1,184.83</i>	1,045.78
Rent	<i>24.48</i>	59.54
Repairs to Buildings	<i>20.69</i>	46.64
Repairs to Machinery	<i>156.78</i>	134.39
Insurance	<i>39.59</i>	34.26
Production & Processing charges	<i>56.89</i>	72.91
Rates and Taxes	<i>42.06</i>	42.64
R & D	<i>111.42</i>	141.79
Freight on Sales	<i>389.40</i>	483.96
Miscellaneous Expenses	<i>422.48</i>	375.96
	<i>2,798.85</i>	2,881.52

39. EXCEPTIONAL ITEMS

	<i>31.03.2023</i>	31.03.2022
Assets Write-off	<i>9.41</i>	15.03
	<i>9.41</i>	15.03

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

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Customs Duty - Unfulfilled Export Obligation if any	30.14	170.07
GST – Andhra Pradesh Show cause notice received – GST Visakhapatnam	1.97	-
The department of GST Telangana has raised demand pertaining to FY 2017 – 2018 and 2018 – 2019 regarding ITC & Penalties against which appeal has been filed with the Appellate Authority	15.24	-
The department of GST Andhra Pradesh has raised demand pertaining to FY 2017 – 2018 regarding ITC & Penalties against which appeal has been filed with the Appellate Authority	0.93	-
Bank Guarantees given	4.00	4.00

B. Commitments

Particulars	31.03.2023	31.03.2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	84.49	30.75

41. DISCLOSURE AS PER INDAS – 12 INCOME TAX**A. Income tax assessments**

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

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

Particulars	31.03.2023	31.03.2022
Difference in WDV of PPE and Intangible assets	(1,784.50)	(1,894.14)
Differences in carrying value of ROU Assets & Lease Liabilities	26.31	-
Carried forward losses	206.91	684.94
Post-Employment Benefits	132.52	56.77
Other disallowances	40.44	81.04
Net Deferred Taxes Assets / (Liabilities)	(1,378.33)	(1,071.39)
Deferred Taxes Asset / (Liabilities) there on at applicable rates	(383.45)	(298.06)

**42. CONFIRMATION OF BALANCES**

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

43. DISCLOSURES AS PRESCRIBED BY INDIAN ACCOUNTING STANDARD (INDAS)**43.1 DISCLOSURE AS PER INDAS 7**

Statement of reconciliation for changes in liabilities arising from financial activities

Particulars	Working capital borrowings	Interest free sales tax loan	Unsecured loans
Opening balance	1,363.62	92.90	9.82
Borrowed during the year	-	-	-
Repaid during the year	283.94	(8.16)	(9.82)
Net movement	283.94	14.19	(9.82)
Closing balance	1,647.56	98.93	-

43.2 DISCLOSURE AS PER INDAS 19 – EMPLOYEE BENEFITS**A. Defined Contribution Plan**

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

Particulars	2022-23	2021-22
Employer's Contribution to Provident Fund	28.88	28.47
Employer's Contribution to ESI	-	1.60

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

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognised each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit to build up the final obligation. The obligation for leave encashment is recognised in the books as per Actuarial Valuation.

Assets and Liability (Balance sheet position)

Particulars	31.03.2023	31.03.2022
Present value of obligation	236.93	213.59
Fair value of plan assets	194.40	185.14
Net asset / (liability)	(42.53)	(28.45)

Expense recognised during the period

Particulars	31.03.2023
In Income statement (P&L a/c – expense provision)	12.90
In other comprehensive income (Balance sheet item)	(15.86)

**Changes in the present value of obligation**

(₹ in Lakhs)

Particulars	For the period ending	
	31.03.2023	31.03.2022
Present value of obligations as at the beginning	213.59	214.40
Interest cost	14.59	12.06
Current Service Cost	11.77	12.61
Past service cost – (Vested benefits)	-	-
Benefits Paid	(15.31)	(22.53)
Actuarial (Gain) / Loss on obligation	12.29	(2.94)
Present value of obligations as at the end	236.93	213.59
Bifurcation of net liability		
Current liability (Short Term)	41.08	42.33
Non-current liability (Long Term)	195.85	171.26
Net liability	42.53	28.45

Changes in the fair value of plan assets

Particulars	For the period ending	
	31.03.2023	31.03.2022
Fair value of plan assets as at the beginning	185.14	184.99
Adjustment to opening Fair value of plan asset	-	-
Return on plan assets excluding Interest Income	(3.56)	0.03
Contribution by Employer	14.68	12.05
Interest Income	13.45	10.59
Benefits Paid	(15.31)	(22.53)
Fair value of plan assets as at the end	194.40	185.14

Expense recognised in the Income Statement

Particulars	31.03.2023
Current Service Cost	11.77
Past Service Cost	-
Interest Cost	1.13
Expense recognised in the Income statement	12.90

Other Comprehensive Income

Particulars	31.03.2023
Actuarial (gains) / losses	-
Actuarial (gains) / losses on obligations	12.30
Actuarial (gains) / losses on plan assets	3.56
Total Other Comprehensive Income	15.86

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

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Present value of obligation	28.32	17.78
Fair value of plan assets	-	-
Surplus / (deficit)	(0.2)	10.55
Net asset / (liability)	26.47	28.32

Expense recognised during the period

Particulars	31.03.2023
In Income statement (P&L a/c – expense provision)	6.47

Changes in the present value of obligation

Particulars	For the period ending	
	31.03.2023	31.03.2022
Present value of obligations as at the beginning	28.32	17.78
Interest cost	1.82	1.04
Current Service Cost	4.65	11.23
Benefits Paid	-	-
Actuarial (Gain) / Loss on obligation	(6.67)	(1.73)
Present value of obligations as at the end	26.47	28.32
Bifurcation of net liability		
Current liability (Short Term)	2.52	2.94
Non-current liability (Long Term)	23.95	25.38
Net liability	26.47	28.32

Changes in the fair value of plan assets

Particulars	For the period ending	
	31.03.2023	31.03.2022
Fair value of plan assets as at the beginning	-	-
Adjustment to opening Fair value of plan asset	-	-
Return on plan assets excluding Interest Income	-	-
Interest Income	-	-
Contribution by employer	-	-
Benefits Paid	-	-
Fair value of plan assets as at the end	-	-

**Expense recognised in the Income Statement**

(₹ in Lakhs)

Particulars	31.03.2023
Current Service Cost	4.65
Past Service Cost	-
Interest Cost	1.82
Expense recognised in the Income statement	6.47

III. Actuarial

Particulars	Gratuity (Funded) 2022-23	Leave Encashment (Non-funded) 2022-23	Gratuity (Funded) 2021-22	Leave Encashment (Non-funded) 2021-22
Mortality Table (LIC)	7.16%	7.16%	7.58%	6.78%
Discount rate (per annum)	3.00%	3.00%	3.00%	3.00%
Expected rate of return on plan assets (Per annum)	8.62%	7.27%	9.09%	7.73%
Rate of escalation in salary (per annum)	5.00%	5.00%	5.00%	5.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

43.3 DISCLOSURE AS PER IND AS – 21 – THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES UN-HEDGED FOREIGN CURRENCY EXPOSURE AT THE YEAREND

Particulars	31.03.2023	31.03.2022
Trade payables	1369.19	236.63
Trade receivables	1912.11	1117.68

Particulars	31.03.2023	31.03.2022
a. Exchange differences arising out of settlement / translation on account of export sales for the year	83.32	9.04
b. Exchange differences arising out of settlement / translation on account of imports for the year	-	(2.25)
c. Exchange differences arising out of settlement / translation on account of others	-	8.45
Net gain / (loss) recognised during the year	83.32	15.24

**43. 4 DISCLOSURE AS PER IND AS – 33 EARNING PER SHARE**

Particulars	31.03.2023	31.03.2022
Total No. of Shares	101.83	101.83
Profit after Taxes and exceptional items	376.66	353.01
Earning per share Basic & Diluted (₹10 per share)	2.77	3.47

43.5 DISCLOSURE AS PER IND AS-108 OPERATING SEGMENTS:

As the Company is predominantly engaged in the manufacture and sale of chemicals where the risks and returns associated with the products are uniform, the Company has identified geographical segments based on location of customers as reportable segments in accordance with Ind AS 108 issued by ICAI.

A. SEGMENT REVENUE

Geographical Location	31.03.2023		31.03.2022	
	₹ in Lakhs	%	₹ in Lakhs	%
Domestic	2,926.67	33.88	3,320.95	36.98
External	5,711.86	66.12	5,660.58	63.02
Total	8,638.53	100.00	8,981.53	100.00

B. SEGMENT ASSETS (TRADE RECEIVABLES)

Geographical Location	31.03.2023		31.03.2022	
	₹ in Lakhs	%	₹ in Lakhs	%
Domestic	197.77	14.44	221.96	83.43
External	1,171.42	85.56	1,117.68	16.57
Total	1,369.19	100.00	1,339.63	100.00

C. OTHER DISCLOSURES

Geographical Location	Carrying Amount of Segment Assets		Additions to Fixed Assets	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Unallocable Assets	9,381.59	8,834.25	244.43	269.98

Note: The Company has no assets outside India other than the External Trade Receivables. All the assets, other than trade receivables, are shown as unallocable assets

**43.6 DISCLOSURE AS PER IND AS – 24 – RELATED PARTY DISCLOSURES**

Directors' interested Companies	Asian Herbex Limited
	Zigna Analytics Private Limited
	CDC Industrial Infrass Limited
Key Management Personnel	
Sri Y.S.R. Venkata Rao	Managing Director
Mr. Y.V. Prashanth	Executive Director from 10 November, 2022
Ms. K. Uma Kumari	Chief Financial Officer
Mr. Siddharth Dubey	Company Secretary
Non - Key Management Personnel	
Dr. J. S. Yadav	Chairman & Independent Director
Sri G. Jayaraman	Independent Director
Sri K.V. Surya Prakash Rao	Independent Director
Ms. Y .Lalithya Poorna	Non-Executive Non-Independent Director
Dr. A.R. Prasad	Non-Executive and Non-Independent Director
Mr. Y.V. Prashanth	Relative of Managing Director till 9 November, 2022
Others	
Dr. Y.V.S. Murty Charitable Trust	Charitable Trust in which the Managing Director is a trustee

Disclosure of transactions with related parties

(₹ in Lakhs)

S.No	Nature of Relationship	Nature of Transaction	Transactions during the year
i.	Directors' interested Companies	Rent	4.92
		Sales Commission	37.49
		Godown Rent	85.73
ii.	Key Managerial Personnel	Remuneration	32.85
		Commission on profits	134.52
		Rent	30.10
iii.	Non - Key Managerial Personnel	Rent	14.76
		Sitting Fees	17.65
		Professional Fee	12.00
iv.	Others	CSR Contribution	5.00

44. FINANCIAL INSTRUMENTS**i. Capital Management**

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

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

**ii. Financial instruments by category**

The carrying and fair value of financial instruments by categories of March 31, 2023 and March 31, 2022 were as follows

(₹ in Lakhs)

Particulars	31.03.2023			31.03.2022		
	Amortised Cost	Total carrying value	Total fair value	Amortised Cost	Total carrying value	Total fair values
Assets						
Cash and cash equivalents	109.80	109.80	109.80	200.88	200.88	200.88
Other bank balances	21.10	21.10	21.10	55.69	55.69	55.69
Trade receivables	1,369.19	1,369.19	1,369.19	1,339.63	1,339.63	1,339.63
Other financial assets	103.81	103.81	103.81	82.49	82.49	82.49
Total	1,603.90	1,603.90	1,603.90	1,678.69	1,678.69	1,678.69
Liabilities						
Trade payables	1,845.22	1,845.22	1,845.22	2,022.36	2,022.36	2,022.36
Borrowings	1,858.28	1,858.28	1,858.28	1,717.24	1,717.24	1,717.24
Other financial liabilities	5.50	5.50	5.50	16.55	16.55	16.55
Lease Liability	523.70	523.70	523.70	63.62	63.62	63.62
Total	4,232.70	4,232.70	4,232.70	3,819.77	3,819.77	3,819.77

iii. Financial Risk Management**Financial Risk Factors**

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

Market Risk

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

The following table analyses foreign currency risk from financial instruments:



The following table analyses foreign currency risk from financial instruments:

Particulars	31.03.2023		31.03.2022	
	USD	Euro	USD	Euro
Trade receivables	14,24,194	-	14,69,122	-
Other financial assets	-	-	-	-
Trade payables	2,73,980	41,680	3,11,040	-
Other financial Liabilities	-	-	-	-
Net assets (liabilities)	11,50,214	(41,680)	11,58,082	-

Credit Risk

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

Credit Risk Exposure

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

Liquidity Risk

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

As of March 31, 2023, the Company had a working capital of ₹ 606.02 Lakhs including cash and cash equivalents of ₹ 109.80 Lakhs. As of March 31, 2022, the Company had a working capital of ₹ 881.28 Lakhs including cash and cash equivalents of ₹ 200.88 Lakhs.

As of March 31, 2023, and March 31, 2022, the outstanding gratuity were ₹ 236.97 Lakhs and ₹ 213.59 Lakhs, respectively, which have been substantially funded. Accordingly, no liquidity risk is perceived.

Interest Rate Risk

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

**45. DIVIDEND**

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

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

(₹)

Particulars	2022-23	2021-22
Final Dividend	2.00*	2.00

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

46. REMUNERATION TO AUDITOR (EXCLUDING GST)

Particulars	2022-23	2021-22
Statutory Audit	8.00	5.50
Taxation Matters	2.50	1.10
Other Services	1.50	0.84

47. BORROWINGS SECURED AGAINST CURRENT ASSETS

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

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

48. RELATIONSHIP WITH STRUCK OFF COMPANIES

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

**49. RATIOS - CURRENT PERIOD**

Ratios	Numerator	Denominator	Current Period	Previous Period	% Variance
(a) Current Ratio	Current Assets	Current Liabilities	1.14	1.20	(0.05)
(b) Debt-Equity Ratio,	Total Outside Liabilities	Shareholder's Equity	5.17	4.66	0.11
(c) Debt Service Coverage Ratio.	Earnings Available for Debt Services/ interest + instalments	Debt Service	0.47	0.49	(0.04)
(d) Return on Equity Ratio	Net profit after taxes	Equity shareholders funds	0.28	0.35	(0.21)
(e) Inventory turnover ratio	Cost of goods Sold or Sales	Average inventory	3.27	3.38	(0.03)
(f) Trade Receivables turnover ratio	Sales	Average Trade Receivables	6.51	7.17	(0.09)
(g) Trade payables turnover ratio	Purchases	Average Trade Payables	2.90	2.77	0.05
(h) Net capital turnover ratio	Sales or Cost of goods sold	Working Capital/ Net Assets	14.56	10.33	0.41
(i) Net profit ratio	Net profit	Sales	0.03	0.04	(0.20)
(j) Return on Capital employed	Earnings Before interest and tax	Capital employed	10.30	12.69	(0.19)

50. UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

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

51. The Company has used the borrowings from Banks and Financial institutions for their specific purpose for which they have been taken.



52. In the opinion of the Board of Directors, all the Assets (Other than Property, Plant, Equipment, Intangible Assets and Non-Current Investments) are expected to realise a value which is at least equivalent to the amount at which they are stated in the financial statements, in the ordinary course of the business. The Board is also of the opinion that no material uncertainty exists regarding the capability of the Company in meeting its liabilities existing as on the date of Balance Sheet as and when they fall due.
53. The Company does not have any transactions with companies struck off under Section 248 of the Companies Act 2013 or under Section 560 of the Companies Act 1956.
54. As the Company does not have any downstream companies, the compliance with regard to the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restrictions on Number of Layers), Rules, 2017 and the disclosure requirements of the names of such Companies and their CIN, beyond specified layers and the relation and extent of holding, are not applicable.
55. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
56. With regard to Charge Creation or Satisfaction, no documents are pending for filling with Registrar of Companies beyond the specified Statutory period.
57. The Company does not have any transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax, 1961. The Company does not also have any previously unrecorded income and related assets that are properly required to be recorded in the books of account during the year.
58. The Company has not traded or invested in crypto currency or any virtual currency during the financial year.
59. Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.

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

For and on Behalf of Board of Directors
Alkali Metals Limited

B.N. Bharathi
Partner
M. No.236639

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

Dr. J.S. Yadav
Chairman
DIN: 02014136

Place : Hyderabad
Dated: May 27, 2023

K. Uma Kumari
Chief Financial Officer

Siddharth Dubey
Company Secretary



ALKALI METALS LTD.

AN ISO 9001:2015 &
AN ISO 14001:2015 COMPANY



Regd Post

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



In undelivered, please return to

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