



ANNUAL REPORT 2020-21

Technological dynamism with environmental commitment

*A tribute to one of the greatest
Technocrats, Innovators and Visionaries of our times*



Dr C H Krishnamurthi Rao

7.11.1940-19.1.2012

Founder Chairman-Chemfab Team Group of Companies
Dr Rao Holdings Pte Ltd., Singapore



*We at CCAL pledge to carry forward your legacy
and fulfil your cherished dreams.*

CHEMFAB ALKALIS LIMITED

DIRECTORS

Mr. Suresh Krishnamurthi Rao
Mr. C.S. Ramesh
Mr. R. Mahendran
Mr. Nitin S Cowlagi (from 04.06.2020)
Mrs. Sujatha Jayarajan
Mr. A. Janakiraman
Mrs. Drushti Desai
Mr. T. Ramabadhran

Chairman, Non-Executive Director
Non-Executive Director
Non-Executive Director
Non-Executive Director
Independent Director
Independent Director
Independent Director
Independent Director

CHIEF EXECUTIVE OFFICER
Mr.V.M.Srinivasan

CHIEF FINANCIAL OFFICER
Mr.S. Prasath

COMPANY SECRETARY
Dr.V. Rajesh

AUDITOR
M/s Deloitte Haskins & Sells LLP
ASVN Ramana Tower,
#52, Venkatanarayana Road,
T. Nagar, Chennai-600017

BANKERS TO THE COMPANY
Axis Bank Limited,
6, St. Ange Street, Puducherry Branch,
Puducherry-605001

HDFC Bank Ltd
16, Centigo Bldg, 100 Feet Rd, Ellaipillaichavady,
Puducherry - 605005

REGISTERED OFFICE
"TEAM House", GST Salai, Vandalur, Chennai-600048
Phone : +91-44-22750323/24, Fax: +91-44-22750860
Email : chemfabalkalis@draaholdings.com
Website : www.chemfabalkalis.com
CIN No : L24290TN2009PLC071563

FACTORIES
PUDUCHERRY
'Gnanananda Place', Kalapet, Puducherry-605014
Phone : +91-413-2655111, Fax: +91-413-2655125
Email : chemfabalkalis@draaholdings.com
Website : www.chemfabalkalis.com

SRI CITY
No.650, Chigurapalem Road
Sri City, Tada, Andhra Pradesh 517646

SALT FIELDS
Kanthadu Village, Tindivanam Taluk, Villupuram District
Mariyur Salai, Sayalkudi, Ramnad District

MARKETING OFFICE
1A, Jeyam Kondar Towers, First floor
12/40, Murray's Gate Road, Alwarpet, Chennai - 600018
Phone : +91-44-42031444 / +91-44-24987874
Email : chemfabmktg@draaholdings.com
Website : www.chemfabalkalis.com

REGISTRAR AND SHARE TRANSFER AGENT
M/s Cameo Corporate Services Ltd.
Subramanian Building, 1 Club House Road, Chennai-600002
Phone: +91-44-28460390 / 28460395, Fax: +91-44-28460129
Email : cameo@cameoindia.com,
Website: www.cameoonline.net



Suresh Krishnamurthi Rao
Chairman

CHAIRMAN'S STATEMENT - FY - 2020 - 2021

Dear Shareowners,

The Financial Year 2020-21 has been challenging for each one of us. The COVID-19 pandemic has had a significant impact on livelihood and the business. Faced with COVID-19 pandemic and market headwinds that were mounting even before the pandemic, your company has focused on maintaining financial discipline, strengthening of its businesses, and setting up foundation for its growth plans.

Chlor-Alkali Segment

During the year, the domestic caustic soda prices remained at multi-year lows. This was due to drop in international prices during the previous year. Further the demand slowdown in the domestic market coupled with increase in domestic capacities has led to significant pricing pressures in the domestic market. We expect the prices to stabilize from here and positive momentum in domestic prices is expected to be seen from second half of next financial year.

The company has increased its production capacity from 125 TPD to 155 TPD during April 2021 and is closely following up with the government authorities to further scale up the operations to 200 TPD.

The company has commissioned the State-of-the-art RO Plant with Treated Sewage Water as feed in March 2021. This RO Plant has a capacity to produce 1 MLD of process water from either the Treated Sewage Water or from Seawater. This has enhanced strong commitment of your company towards preservation of natural resources and at the same time will help your company to scale up the operations to 200 TPD.

Further the business plans are firmed up for the green field project expansion at Karaikal location through wholly owned subsidiary company, viz., Chemfab Alkalies Karaikal Limited and the development activities are expected to be well under way by the end of next financial year.

PVCO-Segment

The Financial year 2020-21 was second full year operation of the PVCO unit. The business in this segment was impacted during the year due to minimal activity in the government sector and slow down in installation process at various sites. Due to the impact of COVID-19 the growth expected in the business was delayed.

The company has however focused on establishing PVCO pipes as a distinguished product in the segment of our operations. This has led to increased enquiries on the product and provided good order book visibility. Further the focus of the Government on irrigation and water transportation projects has provided an optimistic business outlook in the coming years.

During March 2021, The company has successfully commissioned the second production line at the PVCO plant. We are very proud of our production team for commissioning the second line without the Onsite presence of OEM manufacturers, due to global travel restrictions in place.

I express my sincere gratitude to the government and all our stakeholders for their continued support. My Special thanks to all our CCAL mates for their efforts and commitment for the progress of your company especially during these challenging times.

I thank the Directors on the Board for their continued guidance and valuable inputs.

Our thoughts are always with those directly affected by the pandemic and we are focused to do our bit to fight this pandemic. As a Socially responsible organization we have undertaken various measures to counter COVID 19 during the year supporting the Government, CCALmates and their families as well as the local community. We will continue these measures until we are able to overcome the pandemic.

Wishing you the best of health and abundance of all things good.

Sd/-
Suresh Krishnamurthi Rao
Chairman
Chemfab Alkalies Limited

CCAL

CHEMFAB ALKALIS LIMITED

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CHEMFAB ALKALIS LIMITED
(Regd. Office: 'TEAM House', GST Road, Vandalur,
Chennai-600 048)
CIN: L24290TN2009PLC071563

NOTICE OF THE 12th ANNUAL GENERAL MEETING

Notice is hereby given that the 12th Annual General Meeting of the Company will be held on Wednesday, 4th August 2021 through Video Conference (VC)/ Other Audio Visual Means (OAVM) at 10.00 A.M. IST to transact the following business:

ORDINARY BUSINESS:

1. ADOPTION OF FINANCIAL STATEMENTS:

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

"RESOLVED THAT the Audited Standalone and Consolidated Financial Statements of the Company i.e., Balance Sheet of the Company as at 31st March 2021 and the Statement of Profit and Loss A/c (incl. Comprehensive income), Statement of Cash Flow and Statement of Changes in Equity for the year ended on that date, together with the Reports of the Board of Directors ("the Board") and the Auditors there on as presented to this Annual General Meeting, be and are hereby approved and adopted".

2. RETIREMENT BY ROTATION:

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

"RESOLVED THAT Mr. C.S. Ramesh (DIN:00019178), Director, who retire by rotation and being eligible, offers himself for reappointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3. RATIFICATION OF COST AUDITOR'S REMUNERATION

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT the decision to pay a Remuneration of Rs.1,70,000/- to M/s. Madhavan, Mohan & Associates, the Cost Auditors of the Company for the year 2021 – 22, as recommended by the Audit Committee and approved by the Board of Directors, be and is hereby ratified".

4. SALE OF UNDERTAKING UNDER SECTION 180 (1)(a) OF THE COMPANIES ACT, 2013

To consider and, if thought fit, to pass with or without modifications, the following resolutions as Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, and the relevant Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the enabling provisions in the Memorandum of Association and Articles of Association of the Company, consent of the Company be and is hereby accorded, including confirmation of actions taken hitherto, to the Board of Directors of the Company to sell the fixed assets including land, building, plant & machinery & other assets at Ongole Plant, located at Plot No.558 & 559, APIIC Growth Centre, Gundlapalli (Village), Maddipadu (Mandal), Prakasam (District), Andhra Pradesh – Pincode-523211.

RESOLVED FURTHER THAT Mr. V.M. Srinivasan, Chief Executive Officer of the Company and Mr. S. Prasath, Chief Financial Officer of the Company be and are hereby authorized jointly to perform all such acts, deeds, matters and things, as may be necessary, to execute, deliver and perform such agreements, contracts, deeds and other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including government/semi-government/quasi-government authorities, lenders, financial institutions, legislative bodies, regulatory or administrative authorities, statutory bodies, in this regard, and deal with any matters, take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT all actions were taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified, and confirmed in all respects."

By Order of the Board of Directors
for **Chemfab Alkalys Limited**

Sd/-

Place: Chennai

Date: 21.05.2021

Dr.V.Rajesh,
Company Secretary

NOTES:

1. Being this AGM scheduled to be held through VC/OAVM in pursuance to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint a 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 of body corporates can attend the AGM through VC/OAVM and cast their votes through e-voting.

2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Businesses set out in the Notice is annexed hereto.

3. Pursuant to the provisions of Sections 107 and 108, read with the Companies (Management and Administration) Rules, 2014 read with notification GSR 207(E) dated 19th March 2015, and as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, and Circular No. 20/2020 dated May 05, 2020, the Company is pleased to offer the option of remote and AGM E-Voting facility to all the Members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL). The Members can vote electronically either in advance during the e-voting period ("remote e-voting") or on the day of AGM. The Company has appointed S.A Inbavadivu, Advocate in Practice, as Scrutinizer.

**CDSL E-VOTING SYSTEM – FOR
E-VOTING AND JOINING VIRTUAL MEETING**

1. As you are aware, in view of the situation arising due to the COVID-19 global pandemic, the general meeting of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

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 April 08, 2020, April 13, 2020, and May 05, 2020, the Company is providing the facility of

remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on a 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 to ascertain the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint a 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 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 April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://chemfabalkalis.com/investors>. 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 AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 Circular