



ANNUAL REPORT 2022-23

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.

CCAL
CHEMFAB ALKALIS LIMITED

DIRECTORS

Mr. Suresh Krishnamurthi Rao
Mr. C.S. Ramesh
Mr. R. Mahendran
Mr. Nitin S Cowlagi
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

Mr.B.Vignesh Ram

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 SPEECH FY 2022-2023

Dear Shareowners,

Reflecting on the Financial Year 2022-23, I am pleased to share some remarkable achievements and notable developments of our company amid the challenging global landscape.

In the past year, the world made significant progress in managing the impact of COVID-19, leading to a return to normalcy. However, the global economy faced uncertainty and volatility due to geopolitical tensions arising from the ongoing Russia-Ukraine conflict. Despite these challenges, our company remained resilient and leveraged on market opportunities, ultimately enhancing shareholder value. I am delighted to share that the year witnessed remarkable improvements in our performance, with record-breaking revenue and profits, making it a highly satisfactory year for all stakeholders.

Chlor-Alkali Segment:

During the year, the Caustic Soda Lye market experienced huge volatility throughout the year. Prices had a huge surge starting in Q2, reached their peak during Q3, and later declined sharply in Q4 due to improved product availability with the enhancement of the Natural Gas scenario in Europe. During this time, India progressed from being a net importer of Caustic to becoming a net exporter.

Looking ahead, we anticipate continued growth in Caustic demand, aligned with the country's GDP growth. To leverage this growth potential and to bolster our presence in the Chlor-alkali industry, we are investing in a Greenfield 250 TPD Caustic Chlor Project in Karaikal, Puducherry, through our fully-owned subsidiary, Chemfab Alkalys Karaikal Limited. The project is well underway and is expected to be commissioned by September 2024. Additionally, we are investing in a 10,000 TPA Aluminium Chloride project in Karaikal, scheduled to be commissioned by December 2023. This project is part of our strategic forward integration for Chlorine-based downstream products.

PVCO Pipes-Segment:

The Financial Year 2022-23 marks a significant milestone for our PVCO business segment. The company had forayed into this segment four years back. Despite initial setbacks due to the pandemic, we persevered and succeeded in securing product acceptance by State Water Boards in many states. As a result, PVCO Pipes have been included in various projects under Jal Jeevan Mission and other state Government projects. Our persistent efforts are underway to expand the number of states in the coming year.

With both Union and State Governments emphasising providing potable water to each household, the demand for high-pressure pipes is encouraging. To cater to this demand, we are enhancing capacity with two more lines in the coming year, effectively doubling our capacity and positioning ourselves to cater to the market requirements.

Moreover, we are pleased to share that the price of PVC Resin experienced a significant correction in Q4, returning to pre-COVID levels. The price outlook for PVC resin in the short to medium term appears favourable, which is expected to positively impact our company's margins in the PVCO pipes business for the coming year.

In conclusion, we remain optimistic about future growth opportunities and are confident in our ability to seize them effectively. We extend our sincere gratitude to the governments, CCAL mates, and all stakeholders for their continued support and patronage and for reposing confidence in the company.

I would also like to express my heartfelt appreciation to the Board of Directors for their invaluable guidance and valuable inputs.

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

Suresh Krishnamurthi Rao
Chairman

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 14th ANNUAL GENERAL MEETING

Notice is hereby given that the Fourteenth Annual General Meeting of the Company will be held on Tuesday 29th August 2023 at 10:00 AM (IST), through Video Conferencing ("VC") Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. ADOPTION OF FINANCIAL STATEMENTS:

To consider and if thought fit, to pass the 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 2023 and the Statement of Profit and Loss A/c (incl. Comprehensive income), Statement of Cash Flow and Statement of Changes in Equity along with the notes forming part of the accounts for the year ended on that date, together with the Reports of the Board of Directors ("the Board") and the Auditors along with the notes thereon 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 retires 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."

3. DIVIDEND:

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

"RESOLVED THAT a Dividend at the rate of Rs 1.25 per Equity Share (12.50%) be and is hereby declared, on the fully paid-up Equity Shares of Rs.10/- each in the Paid-up Capital of the Company, to those Members whose names appear in the Register of Members of the Company as on the record date."

SPECIAL BUSINESS:

4. RATIFICATION OF COST AUDITOR'S REMUNERATION

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

"RESOLVED THAT pursuant to the provisions of Section 148 and read with Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment/

modification thereof), the decision to pay a professional fees of Rs. 1,90,000/- (Rupees One Lakh and Ninety Thousand only) to M/s. A.Madhavan, Mohan & Associates, (Firm Registration No. ICAI Firm No. - 003483) the Cost Auditors of the Company for the year 2023-2024, as recommended by the Audit Committee and as approved by the Board of Directors, be and is hereby ratified".

5. PAYMENT OF COMMISSION TO NON-EXECUTIVE DIRECTORS OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of sections 197, 198 of the Companies Act 2013 ("Act") and rules made thereunder, consent of the Company be and is hereby accorded for payment of Commission to Directors, including the payment of Commission to Independent Directors and the reimbursement of expenses for participation in the Board and Board's Committees' Meetings, out of the net profits of the Company within the ceiling of 11% of the net profits of the Company as prescribed under Section 197 (1) and such other applicable provisions, if any, of the Companies Act, 2013"

"RESOLVED FURTHER THAT the commission be divisible among the Directors in such proportion as the Board of Directors may decide."

"RESOLVED FURTHER THAT pursuant to Regulation 17(6) (ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment thereof the consent of the members of the company be and is hereby accorded for the payment of commission to a single non-executive director, if it exceeds fifty per cent of the total annual remuneration payable to all non-executive directors of the Company for the Financial Year 2022-23."

"RESOLVED FURTHER THAT the Company Secretary of the Company or any one of the directors of the Company be and are hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the foregoing resolutions."

6. ALTERATION OF THE ARTICLES OF ASSOCIATION WITH RESPECT TO REMOVAL OF COMMON SEAL CLAUSE

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of the Section 14 of the Companies Act, 2013 (including the statutory modification(s) and including the rules framed thereunder and any other applicable provisions of the Companies Act, 2013 or any other regulations as amended from time to time), the Articles of Association of the Company be and is hereby altered by the deletion of the word "seal" where ever it is used in the Articles of association thereby enabling the Company to dispense with the usage of the Common Seal of the Company.

RESOLVED FURTHER THAT Mr. S. Prasath, Chief Financial Officer or Mr. B. Vignesh Ram, Company Secretary of the company are hereby severally authorized to file all the necessary forms and other necessary documents as may be required by the statutory authorities including the Registrar of Companies (ROC) and to do such acts, deeds and things that may be required for the purpose of alteration of Articles of Association of the Company that may be suggested by the Registrar of Companies or such other statutory authorities in the implementation of the aforesaid resolutions and to authorize such person or

persons to give effect to the above resolutions and to submit all documents to the concerned authorities with regard to the same and to take all the necessary steps in this regard

By Order of the Board of Directors
For **Chemfab Alkalys Limited**
Sd/-

Place: Chennai
Date: 27th July 2023

B. Vignesh Ram,
Company Secretary &
Compliance Officer