

INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF SPECIAL PURPOSE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF CHEMFAB ALKALIS LIMITED
(formerly known as Teamec Chlorates Limited)

Introduction

We have reviewed the accompanying Statement of Unaudited Special Purpose Financial Results of **CHEMFAB ALKALIS LIMITED** (formerly known as Teamec Chlorates Limited) ("the Company") for the quarter and six months ended 30 September 2017 ("the Statement"), duly stamped and initialed by us for identification. The Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, which has been approved by the Board of Directors for submission to the Stock Exchanges on a *suo moto* basis. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of Review

We conducted our review of the Statement in accordance with Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim special purpose financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Statement, read with the notes thereon, is not prepared, in all material respects, in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India.

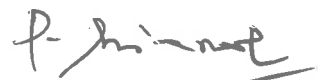


Deloitte Haskins & Sells LLP

Restriction on Distribution

This Special Purpose Statement has been prepared *suo moto* by the Management for submitting it to the Stock Exchanges. Our report is intended solely for the above purpose and is not intended to be and should not be used by anyone other than Management without our proper written consent.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Sriraman Parthasarathy
Partner
(Membership No. 206834)

CHENNAI, 23 October 2017
PS/EKP/29



(Amount in Rs. In Lakhs)

STATEMENT OF UNAUDITED SPECIAL PURPOSE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30/09/2017

Sl. No.	Particulars	Current Quarter ended 30/09/2017 (Unaudited)	Previous Quarter ended 30/06/2017 (Unaudited)	Six Months ended 30/09/2017 (Unaudited)
1	Income			
	Revenue from Operations (Refer Note 4)	4,469.14	4,343.41	8,812.55
	Other Income	58.49	112.77	171.26
	Total Income	4,527.63	4,456.18	8,983.81
2	Expenses			
	(a) Cost of Materials Consumed	79.55	123.05	202.60
	(b) Changes in Inventories of Finished goods and Work-in -Progress	58.42	(225.94)	(167.52)
	(c) Excise Duty (Refer Note 4)	-	457.21	457.21
	(d) Employee Benefits Expense	368.66	394.26	762.92
	(e) Finance Cost	64.71	68.44	133.15
	(f) Depreciation and Amortisation Expense	283.50	279.68	563.18
	(g) Power & Fuel	2,095.95	1,858.58	3,954.53
	(h) Other Expenses	692.50	864.40	1,556.90
	Total Expenses	3,643.29	3,819.68	7,462.97
3	Profit before Exceptional Items (1-2)	884.34	636.50	1,520.84
4	Exceptional Items	-	-	-
5	Profit before Tax (3-4)	884.34	636.50	1,520.84
6	Tax Expense (Net)	248.55	213.87	462.42
7	Net Profit after Tax (5-6)	635.79	422.63	1,058.42
8	Other Comprehensive Income			
	(a) Items that will not be reclassified to the Statement of Profit and Loss			
	- Effect of Measuring investment at fairvalue	0.25	0.45	0.70
	- Actuarial loss on defined benefit obligation	11.77	(31.09)	(19.32)
	- Deferred tax on Adjustments	(6.69)	10.76	4.07
	(b) Items that will be reclassified to the Statement of Profit and Loss	-	-	-
	Total Other Comprehensive Income Net of Tax	5.33	(19.88)	(14.55)
9	Total Comprehensive Income (7+8)	641.12	402.75	1,043.87
10	Paid-up Equity Share Capital (Face Value of Rs.10 per share)	1,383.05	1,383.05	1,383.05
11	Earning per Share (Face Value of Rs. 10 per share) (not annualised) :			
	(a) Basic	4.60	3.06	7.65
	(b) Diluted	4.53	3.03	7.54



Ju

Chemfab Alkalies Limited
(formerly known as Teamec Chlorates Limited)

CIN:U24290TN2009PLC071563

Regd. Office: Team House, GST Salai, Vandalur, Chennai 600 048.

Phone No: +91 44 22750323 Fax No: +91 44 22750860

NOTES:

- 1 The above unaudited special purpose financial results were reviewed by the Audit Committee at its meeting held on 23 October 2017 and approved by the Board of Directors of the Company at their meeting held on that date. This Special Purpose Statement has been prepared *suo moto* by the Management for submitting it to the Stock Exchanges.
- 2 The Company has adopted Ind AS from 1 April 2017 with a transition date from 1 April 2016 and accordingly these special purpose financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 3 The Company operates in a single segment i.e. Dealing with Chlor Alkali and Related Products/Services and hence, does not have any additional disclosures to be made under IND AS 108 - Operating Segments.
- 4 Revenue from Operations for the quarter ended 30 September 2017 is net of Goods and Service Tax (GST) whereas Revenue from Operations for the quarter ended 30 June 2017 is gross of Excise Duty. Hence, Revenue from Operations for the current quarter ended 30 September 2017 are not comparable with the previous quarter.
- 5 The National Green Tribunal, in an appeal filed by a party, has granted an *ex parte* stay, restraining the construction activities pertaining to the expansion and operation of the Company's Plant without valid consent order. The Company strongly objected the averments of the complainant and filed its counter for vacating the stay which was granted. Further, the Company's petition seeking directions to the authorities concerned for the grant of Consent to Establish (NOC) for the expansion is pending before the Hon'ble Forum.
- 6 The name of the Company has been changed to Chemfab Alkalies Limited, vide the revised certificate of incorporation issued by the Registrar of Companies (ROC) dated 21 July 2017 pursuant to the Scheme of Amalgamation approved by the National Company Law Tribunal (NCLT) on 30 March 2017 and the listing of the equity shares in the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE) is in process.
- 7 The Company has obtained approval from the Puducherry Pollution Control Board, vide its order dated 21 July 2017 for increasing the production capacity of Caustic soda from its plant in Puducherry from 33,000 TPA to 45,600 TPA effective 21 July 2017.
- 8 During the six months ended 30 September 2017, the Company has redeemed 260,000 11% Redeemable Cumulative Preference Shares of Rs. 100 each, aggregating to Rs. 26,000,000 in accordance with the applicable terms of redemption.
- 9 The Statement of Assets and Liabilities as at 30 September 2017 is provided as an Annexure to this Statement.



For Chemfab Alkalies Limited

Suresh Krishnamurthi Rao
Chairman

DIN No: 00127809

Place: Chennai

Date: 23 October 2017

Chemfab Alkalis Limited
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 Regd. Office: Team House, GST Salai, Vandalur, Chennai 600 048.
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STATEMENT OF ASSETS AND LIABILITIES
(Refer Note 9)

	(Amount in Rs. In Lacs)
Particulars	As at 30/09/2017
	Unaudited
I. ASSETS	
(1) Non-current assets	
(a) Property Plant and Equipment	15,962.22
(b) Capital work-in-progress	1,342.47
(c) Intangible Assets	61.26
(d) Financial Assets	
(i) Other Investments	21.90
(ii) Other Financial Assets	615.31
(e) Deferred Tax Assets (Net)	5,631.58
(f) Income tax assets	625.44
(g) Other Non Current Assets	813.04
(2) Current assets	
(a) Inventories	597.83
(b) Financial Assets	
(i) Other Investments	909.18
(ii) Trade Receivables	1,739.35
(iii) Cash and Cash Equivalents	377.33
(iv) Bank balances other than (iii) above	44.90
(v) Other Financial Assets	249.75
(c) Current Tax Assets (Net)	2.50
(d) Other Current Assets	938.65
TOTAL ASSETS	29,932.71
I. EQUITY AND LIABILITIES	
(1) Equity	
(a) Equity Share Capital	1,383.05
(b) Other Equity	21,136.07
(2) Non-current liabilities	
(a) Financial Liabilities	
(i) Borrowings	1,610.34
(ii) Other Financial Liabilities	338.53
(b) Provisions	214.14
(c) Other Non Current Liabilities	375.67
(3) Current liabilities	
(a) Financial Liabilities	
(i) Borrowings	991.28
(ii) Trade Payables	2,057.95
(iii) Other Financial Liabilities	757.12
(b) Provisions	46.73
(c) Current tax liabilities (Net)	90.86
(d) Other Current Liabilities	930.97
TOTAL LIABILITIES	29,932.71



Date : 23 October 2017



For CHEMFAB ALKALIS LIMITED

Suresh Krishnamurthi RAO

SURESH KRISHNAMURTHI RAO
 CHAIRMAN
 DIN No: 00127809