

CCAL
CHEMFAB ALKALIS LIMITED
(Formerly Known as Teamec Chlorates Limited)

CAL / SECL / 2018-19

May 10, 2018

The Manager,
Listing Department
National Stock Exchange of India Limited
“ Exchange Plaza”
Bandra - Kurla Complex, Bandra (E)
Mumbai - 400 051.

Dear Sir/ Madam,

Sub: Outcome of Board Meeting held on Thursday, the 10th May 2018– Reg.

Ref: NSE – CHEMFAB

We wish to inform you that, at the Board Meeting held today, the Audited Financial Statements of the Company for the Quarter (Q4) and financial year ended March 31, 2018 as recommended by the Audit Committee were approved by the Board of Directors of the Company and the Independent Auditors' Review Report thereon was taken note of. The same are enclosed.

The Board has recommended a Dividend of Rs.1.25 per Share for consideration by the Shareholders at their ensuing Annual General Meeting.

Kindly take the above information on record.

Thanking You,

Yours faithfully,
For **CHEMFAB ALKALIS LIMITED**
(formerly known as TEAMEC CHLORATES LIMITED)



G Somasundaram
Company Secretary



Certificate No. OHS 66228 / EMS 71746
An OHSAS 18001 and ISO 14001 Certified Company

CIN No.: U24290TN2009PLC071563
Member - Dr. Rao's Group of Companies
Regd. Off: 'TEAM House', GST Road, Vandalur, Chennai - 600 048, India.
Plant: "Gnanaranda Place", Kalapet, Puducherry - 605 014, India Ph: +91 413 2655111,
E-mail: chemfabalkalis@draoholdings.com, www.chemfabalkalis.com



(Amount Rs. In Lakhs)

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31/03/2018

Sl. No.	Particulars	Current Quarter ended 31/03/2018 (Audited)	Previous Quarter ended 31/12/2017 (Unaudited)	Corresponding Quarter ended 31/03/2017 (Unaudited) (Refer Note 11)	Year ended 31/03/2018 (Audited)	Year ended 31/03/2017 (Audited)
1	Income					
	Revenue from Operations (Refer Note 3)	5,061.58	4,564.34	3,319.54	18,418.20	15,653.40
	Other Income	157.09	6.84	54.43	362.03	284.10
	Total Income	5,218.67	4,571.18	3,373.97	18,780.23	15,937.50
2	Expenses					
	(a) Cost of Materials Consumed	99.61	97.59	109.32	399.80	695.52
	(b) Purchase of Stock in trade	0.05	-	(0.21)	6.62	60.52
	(c) Changes in Inventories of Finished goods and Work-in-Progress	174.77	85.13	96.83	92.38	(67.53)
	(d) Excise Duty (Refer Note 3)	-	-	346.95	457.21	1,631.09
	(e) Employee Benefits Expense	388.65	370.16	413.81	1,521.73	1,451.49
	(f) Finance Cost	108.73	65.91	74.95	307.79	435.75
	(g) Depreciation and Amortisation Expense	348.94	285.59	309.39	1,197.71	1,304.83
	(h) Power & Fuel	2,114.38	2,035.81	1,175.79	8,104.72	6,331.23
	(i) Other Expenses	673.55	484.25	624.91	2,714.70	2,443.98
	Total Expenses	3,908.68	3,424.44	3,151.74	14,802.66	14,286.88
3	Profit before Exceptional Items (1-2)	1,309.99	1,146.74	222.23	3,977.57	1,650.62
4	Exceptional Items	-	-	-	-	-
5	Profit before Tax (3-4)	1,309.99	1,146.74	222.23	3,977.57	1,650.62
6	Tax Expense (Net)	531.60	436.10	(783.53)	1,430.12	97.88
7	Net Profit after Tax (5-6)	778.39	710.64	1,005.76	2,547.45	1,552.74
8	Other Comprehensive Income					
	(a) Items that will not be reclassified to the Statement of Profit and Loss					
	- Effect of Measuring investment at fairvalue	(1.01)	2.04	0.08	1.73	0.33
	- Actuarial gain on defined benefit obligation	(48.93)	20.64	4.08	(47.61)	16.31
	- Deferred tax on Adjustments	16.93	(4.52)	(1.42)	16.48	(5.65)
	(b) Items that will be reclassified to the Statement of Profit and Loss	-	-	-	-	-
	Total Other Comprehensive Income Net of Tax	(33.01)	18.16	2.74	(29.40)	10.99
9	Total Comprehensive Income (7+8)	745.38	728.80	1,008.50	2,518.05	1,563.73
10	Paid-up Equity Share Capital (Face Value of Rs. 10 per share)	1,383.05	1,383.05	1,383.05	1,383.05	1,383.05
11	Earning per Share (Face Value of Rs. 10 per share) (not annualised) :					
	(a) Basic	5.63	5.14	7.27	18.42	11.23
	(b) Diluted	5.55	5.07	7.25	18.16	11.08

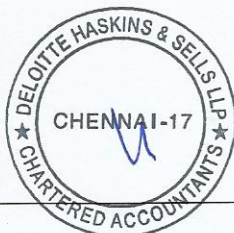


June 2018

BALANCE SHEET

Particulars	As at	As at	(Amount Rs. In Lakhs)
	31/03/2018	31/03/2017	As at
	Audited	Audited	01/04/2016
			Audited
I. ASSETS			
(1) Non-current assets			
(a) Property Plant and Equipment	17,194.16	16,371.53	16,685.43
(b) Capital work-in-progress	162.39	1,136.17	1,474.87
(c) Intangible Assets	88.08	62.44	76.26
(d) Financial Assets			
(i) Investments	4.79	21.20	2.71
(ii) Other Financial Assets	980.66	1,403.43	1,127.86
(e) Non Current tax assets (Net)	5.05	-	401.41
(f) Deferred Tax Assets (Net)	5,637.87	6,382.26	6,197.46
(g) Other Non Current Assets	1,504.03	93.26	234.24
Total Non-Current Assets	25,577.03	25,470.29	26,200.24
(2) Current assets			
(a) Inventories	327.20	430.71	370.80
(b) Financial Assets			
(i) Investments	0.34	7.94	43.22
(ii) Trade Receivables	1,710.61	846.30	1,730.00
(iii) Cash and Cash Equivalents	650.00	36.79	105.11
(iv) Bank balances other than (iii) above	568.60	148.76	44.12
(v) Other Financial Assets	364.38	65.06	43.87
(c) Other Current Assets	618.81	502.72	252.20
Total Current Assets	4,239.94	2,038.28	2,589.32
TOTAL ASSETS	29,816.97	27,508.57	28,789.56
I. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	1,383.05	1,383.05	1,383.05
(b) Other Equity	22,234.87	20,108.95	18,667.39
Total Equity	23,617.92	21,492.00	20,050.44
(2) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	906.76	1,603.16	1,874.11
(ii) Other Financial Liabilities	396.55	1,237.17	443.73
(b) Provisions	133.70	89.22	80.68
(c) Other Non Current Liabilities	229.10	299.55	370.00
Total Non-Current Liabilities	1,666.11	3,229.10	2,768.52
(3) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	1,363.76	31.96	3,089.55
(ii) Trade Payables	1,816.85	1,289.61	1,493.66
(iii) Other Financial Liabilities	601.90	1,097.74	1,091.11
(b) Provisions	182.35	148.07	75.62
(c) Current tax liabilities (Net)	91.62	28.18	-
(d) Other Current Liabilities	476.46	191.91	220.66
Total Current Liabilities	4,532.94	2,787.47	5,970.60
TOTAL LIABILITIES	29,816.97	27,508.57	28,789.56

Place : Chennai
Date : 10 May 2018



For CHEMFAB ALKALIS LIMITED
(formerly known as Teamec Chlorates Limited)

Suresh Krishnamurthi Rao

SURESH KRISHNAMURTHI RAO
CHAIRMAN
DIN No: 00127809



NOTES:

- The above audited financial results were reviewed by the Audit Committee at its meeting held on 10 May 2018 and approved by the Board of Directors of the Company at their meeting held on that date. The information for the year ended March 31, 2018 presented above is extracted from the audited financial statements.
- The Company has adopted Indian Accounting Standard ("Ind AS") from 1 April 2017 with a transition date from 1 April 2016 and accordingly these financial results have been prepared in accordance with Ind AS 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. The reconciliation between financial results for the quarter and year ended 31 March 2017 and Equity for the year ended 31 March 2017 and 1 April 2016, as previously reported (referred to as 'Previous GAAP') and Ind AS is as under:

(a) Statement of reconciliation of net PAT under Ind AS and net PAT reported under Indian GAAP (IGAAP) for the previous periods:

Particulars	Amount Rs. In Lakhs	
	Quarter Ended 31 March 2017 (Refer Note 11)	Year Ended 31 March 2017 (Audited)
Net profit after tax as per Previous GAAP	1,076.54	1,547.48
Add:		
Adjustment of Prior period expenses	-	288.46
Reversal of Provision for Receivables (Expected Credit Loss)	9.16	36.64
(Less):		
Preference Share Dividend including Dividend Distribution tax	(30.46)	(121.85)
ESOP recognised at fair value	(0.81)	(3.23)
Recognition of defined benefit plan through OCI	(4.08)	(16.31)
Recognition of borrowings at amortised cost based on EIR	(8.70)	(34.80)
Fair value and amortised cost adjustments - Financial Assets	(2.38)	(9.51)
Provision for Expected Credit Loss on Financial Assets	(9.07)	(36.26)
Impact of Deferred Tax Adjustments	(24.44)	(97.88)
Net profit for the period under Ind AS	1,005.76	1,552.74
Add: Other Comprehensive Income (net of tax)	2.74	10.99
Total Comprehensive Income under Ind AS	1,008.50	1,563.73

(b) Statement of reconciliation of Equity under Ind AS and Equity reported under Indian GAAP (IGAAP) as at:

Particulars	Amount Rs. In Lakhs	
	As at 31 March 2017 (Audited)	As at 1 April 2016 (Audited)
Total Equity under previous GAAP (Also Refer Note 10)	16,476.05	13,553.73
Add:		
Recognition of Deferred Tax Asset on unabsorbed business losses and others	6,080.90	6,691.09
Reversal of Proposed Dividend including Dividend Distribution tax	-	137.99
Recognition of borrowings at amortised cost based on EIR	72.59	107.39
Deferred Tax impact on the above adjustments	13.03	25.93
Fair value adjustments - Investments	2.72	2.39
(Less):		
Adjustment of Prior period expenses	-	(283.92)
Additional Provision for Receivables (Expected Credit Loss)	(8.01)	(44.65)
Provision for Expected Credit Loss on Financial Assets	(175.77)	(139.51)
Amortised cost adjustments - Financial Assets	(9.51)	-
Reclassification of Preference Shares to Financial Liabilities	(960.00)	-
Total Equity as per INDAS	21,492.00	20,050.44

- Revenues from Operations for the quarter ended 31 March 2018 and 31 December 2017 are net of Goods and Service Tax (GST) whereas Revenues from Operations for the quarter ended 30 June 2017 and the quarter and year ended 31 March 2017 is gross of Excise Duty.
- The National Green Tribunal, in an application filed by a party (NGO), had 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 however the matter is pending with the Honourable forum for final disposal. Also Refer Note 6 below.
- The name of the Company has been changed from Teamec Chlorates Limited 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.
- The Puducherry Pollution Control Committee has granted In-principle clearance for the enhancement of the production capacity of Caustic Soda from 125 TPD to 200 TPD vide order dated 28th November 2017 subject to other approvals/conditions and outcome of the National Green Tribunal Case. Subsequent to the receipt of in-principle approval, the company has withdrawn its appeals filed against the denial of expansion. (Refer Note 4 above)
- During the year ended 31 March 2018, the Company has redeemed 7,00,000 12% Redeemable Cumulative Preference Shares of Rs. 100 each aggregating to Rs. 700 Lakhs and 2,60,000 11% Redeemable Cumulative Preference Shares of Rs. 100 each amounting to Rs.260 lakhs in accordance with the applicable terms of redemption.



Juneek Rao

- 8 The Company has entered into a lease agreement with Sricity (P) Limited, Tada for establishing a new manufacturing facility of PVC-O pipes. The Objects Clause of the Memorandum of Association (MoA) of the Company has also been amended with respect to the same.
- 9 The Company has identified its reportable segments in accordance with IND AS 108 - Segments. Accordingly, pursuant to the commencement of the PVC-O Pipes project, the Company has identified two reportable segments i.e. Chlor Alkali and Related Products and PVC - O Pipes. The Company has identified the following as reportable segments under INDAS 108 segments. Also Refer Note 8.

Sl. No.	Particulars	Amount Rs. In Lakhs				
		Current Quarter ended 31/03/2018 (Audited)	Previous Quarter ended 31/12/2017 (Unaudited)	Corresponding Quarter ended 31/03/2017 (Unaudited) (Refer Note 11)	Year ended 31/03/2018 (Audited)	Year ended 31/03/2017 (Audited)
1	Segment Revenue					
	a) Chemicals and related Products/Services	5,061.58	4,564.34	3,319.54	18,418.20	15,653.40
	b) PVC-O Pipes	-	-	-	-	-
	Total	5,061.58	4,564.34	3,319.54	18,418.20	15,653.40
	Less: Inter Segment Revenue	-	-	-	-	-
	Net Segment Revenue	5,061.58	4,564.34	3,319.54	18,418.20	15,653.40
2	Segment Result before tax					
	a) Chemicals and related Products/Services	1,262.65	1,206.82	242.75	3,925.36	1,802.27
	b) PVC-O Pipes	(1.02)	(1.01)	-	(2.03)	-
	Total	1,261.63	1,205.81	242.75	3,923.33	1,802.27
	Less: Finance Cost	108.73	65.91	74.95	307.79	435.75
	Add: Other Income	157.09	6.84	54.43	362.03	284.10
	Total Profit Before Tax	1,309.99	1,146.74	222.23	3,977.57	1,650.62
3	Segment Assets:					
	a) Chemicals and related Products/Services				22,693.62	21,098.15
	b) PVC-O Pipes				1,457.32	-
	Total Segment Assets				24,150.94	21,098.15
	Add: Unallocable assets				5,666.03	6,410.42
	Total Assets				29,816.97	27,508.57
4	Segment Liabilities:					
	a) Chemicals and related Products/Services				3,164.45	2,661.59
	b) PVC-O Pipes				14.92	-
	Total Segment Liabilities				3,179.37	2,661.59
	Add: Unallocable liabilities				3,019.68	3,354.98
	Total Liabilities				6,199.05	6,016.57

- 10 The Scheme of amalgamation and arrangement (the 'Scheme') between the Company and Chemfab Alkalies Limited (CAL), a Company whose equity shares were listed with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), was approved with an appointed date of 1 April 2014 vide the order of the National Company Law Tribunal (NCLT) dated 30 March 2017 ('the order') and accordingly, the accounting effect of the merger was considered from the appointed date of 1 April 2014 when preparing the Company's financial statements for the year ended 31 March 2017 under the Previous GAAP.

As part of the Scheme and consequent to the merger of erstwhile CAL with the Company, the Company had filed for listing of its equity shares with the NSE and BSE. The Equity shares of the Company have been subsequently listed with BSE and NSE with effect from 25 April 2018.

- 11 As indicated in Note 10 above, the equity shares of the Company have been listed with effect from 25 April 2018 and the Company was not mandatorily required to prepare and publish quarterly financial results during the year ended March 31, 2017. Hence the figures for the quarter ended March 31, 2017 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2017 and the year to date figures for the period ended December 31, 2016 which is based on information available with the management and have not been subjected to audit/review.

- 12 The Board of Directors has recommended a final dividend of 12.5% (Rs.1.25 per Equity Share of Rs. 10 each) for the financial year 2017-18 which is subject to the approval of the shareholders in the forthcoming Annual General Meeting of the Company.

For Chemfab Alkalies Limited
(formerly known as Teamec Chlorates Limited)

Suresh Krishnamurthi Rao

Suresh Krishnamurthi Rao
Chairman
DIN No: 00127809

Place: Chennai
Date: 10 May 2018



Deloitte Haskins & Sells LLP

Chartered Accountants
ASV N Ramana Tower,
52, Venkatnarayana Road,
T. Nagar,
Chennai - 600 017,
Tamil Nadu, India

Tel: +91 44 6688 5000
Fax: +91 44 6688 5050

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF CHEMFAB ALKALIS LIMITED (formerly known as Teamec Chlorates Limited)

1. We have audited the accompanying Statement of Financial Results of **CHEMFAB ALKALIS LIMITED** (formerly known as Teamec Chlorates Limited) ("the Company"), for the quarter and year ended March 31, 2018 ('the Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Company's Management and is approved by the Board of Directors, has been compiled from the related financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such Ind AS financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and Total comprehensive income and other financial information of the Company for the quarter and year ended 31 March 2018.



5. Other Matter

As stated in Note 11 of the Statement, the figures for the quarter ended March 31, 2017 has been presented based on information available with the management for the reasons stated in the said note and has not been subject to audit / review by us.

Our opinion is not modified in respect of this matter.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



V. Balaji
Partner
(Membership No. 203685)

Chennai, May 10, 2018
VB/EKP/JM/2018/

