

**ADITYA BIRLA**



**TANFAC**

SECY/S.E./L.A./2017-18/Q2

November 11, 2017

BSE Limited  
Department of Corporate Services  
Phiroze Jeejeebhoy Towers,  
25<sup>th</sup> Floor, Dalal Street,  
**MUMBAI – 400 001.**

**SCRIP CODE : 506854**

Dear Sir,

Sub: Outcome of Board Meeting held on 11.11.2017 – reg.  
Ref: Regulation 30 of SEBI (LODR) Regulations, 2015.

-oOo-

We wish to inform that the Board of Directors of the Company at their meeting held today at Chennai, *inter alia* considered and approved the Standalone Unaudited Financial Results for the quarter ended 30<sup>th</sup> September, 2017.

We are sending herewith the following as required under Regulation 33 of SEBI (LODR), 2015, read with listing requirements:

- (a) Statement of Standalone Unaudited Financial Results for the quarter ended 30<sup>th</sup> September, 2017 along with a note on Statement of Assets and Liabilities for the half year period ended 30<sup>th</sup> September 2017.
- (b) Report on Limited Review for the quarter ended 30<sup>th</sup> September, 2017.

As required under regulation 47 of SEBI (LODR) Regulations, 2013, the financial results will be published in the newspapers within the stipulated time as per prescribed format.

The meeting of the Board commenced at 2.00 P.M. and concluded at 4.00 P.M.

Thanking you,

Yours faithfully,  
for TANFAC INDUSTRIES LIMITED

  
(N.R RAVICHANDRAN)  
CHIEF FINANCIAL OFFICER &  
COMPLIANCE OFFICER

Encl. : As above

**TANFAC INDUSTRIES LIMITED**  
**(Joint Sector Company with TIDCO)**

Regd. Office & Factory : 14, SIPCOT Industrial Complex, Cuddalore - 607 005. Tamil Nadu, INDIA

Tel : +91 - 4142 - 239001 - 5, Fax : +91 - 4142 - 239008,

Chennai Off : Oxford Centre, 1st Floor, 66, Sir C.P. Ramaswamy Road,  
Alwarpet, Chennai - 600 018. Tamil Nadu, INDIA.

Tel : +91 - 44 - 2499 0451 / 0561 / 0464, Fax : +91 - 44 - 2499 3583

Web : [www.tanfac.com](http://www.tanfac.com)

GST : 33AAACT2591A1ZU CIN: L24117TN1972PLC006271

TANFAC INDUSTRIES LIMITED  
CIN : L24117TN1972PLC006271

REGD. OFFICE: 14 SIPCOT INDUSTRIAL COMPLEX, CUDDALORE – 607005, TAMIL NADU

Website: www.tanfacs.com - Email : invreln.tanfacs@adityabirla.com - Telephone : +91 4142 239001-5 - Fax : + 91 4142 239008

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEP 2017

₹ in Lacs

S.No	Particulars	Quarter Ended			Half Year Ended	
		30th Sep 2017	30th June 2017	30th Sep 2016	30th Sep 2017	30th Sep 2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
<b>1</b>	<b>Revenue:</b>					
	a) Revenue from Operations (Refer Note 9)	4,026.74	3,916.05	3,633.79	7,942.80	7,377.81
	b) Other Income	0.79	0.52	39.96	1.31	40.13
	<b>Total Revenue</b>	<b>4,027.53</b>	<b>3,916.57</b>	<b>3,673.75</b>	<b>7,944.11</b>	<b>7,417.94</b>
<b>2</b>	<b>Expenses:</b>					
	a) Cost of Raw Materials consumed	2,240.32	1,777.68	1,642.86	4,018.00	3,249.42
	b) Changes in inventories of Finished Goods and WIP	(90.67)	149.15	(25.11)	58.47	202.74
	c) Employee Benefits Expenses	289.02	284.66	289.26	573.68	559.87
	d) Finance Cost	160.98	145.94	160.80	306.92	360.20
	e) Excise Duty	-	354.05	338.09	354.05	688.15
	f) Depreciation and Amortisation Expenses	137.55	117.60	119.58	255.16	237.72
	g) Other Expenses	1,071.55	854.75	849.98	1,926.30	1,599.25
	<b>Total Expenses</b>	<b>3,808.75</b>	<b>3,683.83</b>	<b>3,375.46</b>	<b>7,492.58</b>	<b>6,897.35</b>
<b>3</b>	<b>Profit Before Tax</b>	<b>218.78</b>	<b>232.74</b>	<b>298.29</b>	<b>451.53</b>	<b>520.59</b>
<b>4</b>	<b>Tax Expense</b>					
	a) Current Tax	-	-	-	-	-
	b) Deferred Tax	-	-	-	-	-
<b>5</b>	<b>Profit / (Loss) after Tax</b>	<b>218.78</b>	<b>232.74</b>	<b>298.29</b>	<b>451.53</b>	<b>520.59</b>
<b>6</b>	<b>Other Comprehensive Income</b>					
	(i) Items that will not be reclassified to profit or loss (Refer Note 6)	4.20	-	36.19	4.20	36.19
<b>7</b>	<b>Total Comprehensive Income</b>	<b>222.98</b>	<b>232.74</b>	<b>334.48</b>	<b>455.73</b>	<b>556.78</b>
<b>8</b>	<b>Paid-up Equity Share Capital [Face value Rs. 10/-]</b>	<b>997.50</b>	<b>997.50</b>	<b>997.50</b>	<b>997.50</b>	<b>997.50</b>
<b>9</b>	<b>Earnings per share of face value of Rs 10/- each</b>					
	Basic (Rs)	2.24	2.33	3.35	4.57	5.58
	Diluted(Rs)	2.24	2.33	3.35	4.57	5.58



Standalone Statement of Assets and Liabilities as on 30th Sept 2017 is given below:

S.No	Paticulars	As per IndAS As at 30th Sep 2017
<b>A</b>	<b>ASSETS</b>	
1	<b>Non Current Assets</b>	
	a) Property, plant and equipment	4,243.98
	b) Capital work-in-progress	67.83
	c) Investment property	
	e) Other intangible assets	2.91
	f) Intangible assets under development	
	g) Financial Assets	
	(i) Investment	75.41
	(ii) Trade receivables	
	(iii) Loans	128.31
	(iv) Others	
	h) Deffered tax assets (Net)	
	i) other non current assets	
	<b>Total (A)</b>	<b>4,518.44</b>
2	<b>Current Assets</b>	
	a) Inventories	1,788.52
	b) Financial Assets	
	(i) Investments	
	(ii) Trade receivables	2,406.40
	(iii) cash and cash equivelents	16.09
	(v) Loans	511.17
	d) Other Current Assets	65.15
	<b>Total (B)</b>	<b>4,787.33</b>
	<b>Total Assets (A+B)</b>	<b>9,305.77</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>	
1	<b>Equity</b>	
	a) Equity Share Capital	997.50
	b) Others Equity	(187.91)
	<b>Total (A)</b>	<b>809.59</b>
2	<b>Non Current Liabilities</b>	
	a) Financial Liabilities	
	(i) Borrowings- Preference Share Capital	582.50
	(iii) Other Financial liabilities	-
	b) Provisions	76.38
	b) Deferred Tax Liabilities (Net)	-
	c) Other non-current liabilities	-
	<b>Total (B)</b>	<b>658.88</b>
3	<b>Current Liabilities</b>	
	a) Financial Liabilities	
	(i) Borrowings	4,795.76
	(ii) Trade payables	1,697.15
	(iii) Other Financial liabilities	-
	b) Other Current Liabilities	628.14
	c) Provisions	716.25
	d) Current tax liabilities (Net)	
	<b>Total (C)</b>	<b>7,837.30</b>
	<b>Total Liabilities (A+B+C)</b>	<b>9,305.77</b>

NOTES:

- (1) The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held at Chennai on November 11, 2017.
- (2) The company operates in a single segment i.e, Fluro-Chemicals in India and all other activities evolve around the same. Hence, there is no reportable primary/ secondary segment in accordance with the requirements of Ind AS 108, 'Operating Segments'.
- (3) Despite the accumulated losses incurred in the past , the financial statements of the company have been prepared on going concern basis having regard to business plans of the company and continued financial support from a promoter.



- (4) The Company has adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2017 and accordingly, the above results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013. As per SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 the Company has reworked financial results for the corresponding period and quarter ended September 30, 2016 to make same Ind AS Compliant.
- (5) The Auditors of the Company have carried out Limited Review of unaudited financial results for the quarter & half year ended September 30, 2017 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the related report is being submitted to the concerned stock exchanges. The Results for quarter & half year ended September 30, 2016 have not been subject to limited review or Audit, However the Management has exercised necessary due diligence to ensure that the said Financial results provide a true and fair view of the Company's affairs.
- (6) Other Comprehensive Income for the periods and quarters ending 30th September 2017 and 30th September 2016 comprises of changes in the fair value of Equity Investment (not held for trade).
- (7) As required by paragraph 32 of Ind-AS 101, reconciliation of Net Profit in accordance with Indian GAAP to Total Comprehensive Income in accordance with Ind AS for the quarter and six months ended 30th September 2016 is as under :

S.No	Particulars	Quarter ended 30th September 2016	Six month ended 30th September 2016
a.	Net profit after tax as reported under previous Indian GAAP	315.39	548.06
b.	Adjustments on account of:		
i.	Amortised cost of Redeemable Preference Share Capital considered as debt	(17.50)	(27.50)
ii.	Impact of MTM on hedging contracts	0.40	0.03
	Net profit after tax as per Ind-AS	298.29	520.59
c.	<u>Other Comprehensive Income</u>	-	-
d.	Total Comprehensive Income	298.29	520.59

- (8) Renewable Power Obligation (RPO): The company had filed a petition with Hon'ble Tamil Nadu Electricity Regulatory Commission (TNERC) to declare its 2.3 MW cogeneration plant exempt from RPO obligation. The said petition was dismissed by Hon'ble TNERC on 13<sup>th</sup> November 2015 relying on an order passed by Hon'ble Appellate Tribunal for Electricity (APTEL) in a different petition which the company believes the facts of the case has no applicability to the factors of its petition and also based on erroneous premise that the company's plant is a fossil-fuel based cogeneration plant. Aggrieved by the order the company filed an appeal with Hon'ble APTEL which has been admitted. The company believes, based on the legal advice, that its appeal would be favourably considered by APTEL and accordingly has not made any provision towards RPO from Financial year 2012-13 to till date (30th September 2017) currently estimated at Rs.102.13 lakhs.
- (9) Sales for the quarter ended 30th September 2017 is net of Goods and Service Tax (GST). However, sales till the period ended 30th June 2017 and other comparative periods are gross of Excise Duty. Net Revenue from operations (net of GST / Excise Duty) as applicable are as stated below:

Particulars	Quarter Ended			Half Year Ended	
	30th Sep 2017	30th June 2017	30th Sep 2016	30th Sep 2017	30th Sep 2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Revenue from operations (as above)	4,026.74	3,916.05	3,633.79	7,942.80	7,377.81
Less: Excise Duty	-	(354.05)	(338.09)	(354.05)	(688.15)
Net Revenue from operations	4,026.74	3,562.00	3,295.70	7,588.75	6,689.66

FOR TANFAC INDUSTRIES LIMITED

Place : Chennai  
Date : 11th November 2017



M. R. Sivaraman  
M R SIVARAMAN  
DIRECTOR

**Limited Review Report**

To  
Board of Directors,  
**TANFAC INDUSTRIES LIMITED**

**INTRODUCTION**

1. We have reviewed the accompanying Statement of unaudited standalone financial results ('the Statement') of **TANFAC INDUSTRIES LIMITED** ('the Company'), for the quarter and half year ended September 30, 2017, attached herewith, 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 SEBI Circular No. CIR/ CFD/ FAC/ 62/ 2016 dated July 5, 2016.

This Statement is the responsibility of the Company's Management and has been approved by its Board of Directors in their meeting held on November 11, 2017. Our responsibility is to issue a report on the Statement based on our review.

**SCOPE OF REVIEW**

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

**CONCLUSION**

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Accounting Standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/ CFD/ FAC/ 62/ 2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We have not reviewed the accompanying unaudited financial results and other financial information for the comparative period i.e. for the quarter/half year ended September 30, 2016 which have been presented solely based on the information compiled by the Management.





## EMPHASIS OF MATTER PARAGRAPH

5. In forming our opinion, which is not qualified, we have considered Note no. 3 of the financial statements stating that, despite accumulated losses incurred in the past, the financial results of the company have been prepared under 'Going Concern' assumption having regard to the business plans of the company and continued financial support from a promoter.
6. Attention is invited to Note no. 8 of the financial results, describing company's contention in the matter of Renewable Power Obligation (RPO), which is contested and the company is anticipating a favorable verdict, based on legal advice received by it. Our report is not qualified on the matter.

For and on behalf of

**Khimji Kunverji & Co.**

Chartered Accountants

(Firm's Registration No: 105146W)

A handwritten signature in blue ink, appearing to read 'Hasmukh B. Dedhia'.

Hasmukh B. Dedhia

Partner (F-33494)

Camp: Chennai

Dated: November 11, 2017

