



## Archean Chemical Industries Private Limited

29<sup>th</sup> May 2019

BSE Limited  
Listing Operations  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400001

Dear Sirs,

Sub: Submission of audited financial results for the financial year ended 31<sup>st</sup> March 2019 -  
Regulation 52 of SEBI (LODR) Regulations 2015

Ref: Scrip Code 958408 – Privately placed Debt Securities (NCDs) Rs.739.70 crores  
allotted in November 2018 and Rs. 40.30 crores allotted in May 2019  
aggregating to Rs.780 crores - ISIN INE128X07028

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As required under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we hereby submit the following documents

1. Audited financial results for the year ended 31<sup>st</sup> March 2019
2. Auditors Report on the aforesaid financial results
3. Certificate from Debenture Trustee in terms of Regulation 52(5) of SEBI (LODR) Regulations 2015

We have also released audited financial results in the newspaper as per format prescribed by SEBI vide circular No.CIR/IMD/DF1/69/2016 dated 10<sup>th</sup> August 2016.

Please take on record of the above.

Thanking you

Yours faithfully

**For Archean Chemical Industries Private Limited**

**G. Balaji**  
Company Secretary

**Archean Chemical Industries Private Limited**  
 CIN: U24298TN2009PTC072270  
 Regd Office: No.20/43, K.B Dissanay Road, Teynampet, Chennai - 600 018  
**Statement of Audited Standalone Financial Results for the six months / Year ended March 31, 2019**

(Amount Rs. in Lakhs)

S.No	Particulars	Six Months ended	Year ended	Year ended
		31 March 2019	31 March 2019	31 March 2018
		Unaudited, not subjected to review	Audited	Audited
(I)	Revenue from Operations	36,828.93	56,550.57	44,175.87
(II)	Other Income	709.02	709.17	607.40
	<b>Total Revenue (I+II)</b>	<b>37,537.95</b>	<b>57,259.74</b>	<b>44,783.27</b>
(XII)	<b>Expenses</b>			
	(a) Cost of materials consumed	1,918.50	3,423.86	2,233.55
	(b) Purchase of stock in trade	942.14	942.14	894.67
	(c) Changes in Inventory of finished goods and work in progress	7,572.57	5,237.71	1,819.73
	(d) Excise duty on sale of goods (Refer Note 9)	-	-	292.95
	(e) Employee benefit expenses	1,719.71	3,038.54	2,606.79
	(f) Finance cost	6,148.01	11,366.10	10,152.91
	(g) Depreciation and Amortization Expenses	2,363.06	4,726.70	7,276.37
	(h) Other expenses	23,921.36	37,031.25	28,044.60
	<b>Total Expenses</b>	<b>44,565.45</b>	<b>65,786.30</b>	<b>53,321.37</b>
(IV)	<b>Loss before exceptional items and tax (I + II - III)</b>	<b>(7,027.50)</b>	<b>(8,526.56)</b>	<b>(8,538.10)</b>
(V)	Exceptional Items	11,425.11	11,426.11	-
(VI)	<b>Profit/(Loss) before tax (IV + V)</b>	<b>4,397.61</b>	<b>2,899.55</b>	<b>(8,538.10)</b>
(VII)	Tax Expense	(1,186.83)	(1,186.83)	(621.90)
(VIII)	<b>Profit/(Loss) after tax (VI - VII)</b>	<b>3,210.78</b>	<b>1,712.72</b>	<b>(9,159.99)</b>
(IX)	<b>Other Comprehensive Income</b>			
	(i) Items that will not be classified to profit or loss - Remeasurement of defined benefit obligations	(5.51)	(5.51)	(6.43)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1.93	1.93	2.25
	<b>Total Other Comprehensive Income (I+II)</b>	<b>(3.58)</b>	<b>(3.58)</b>	<b>(4.18)</b>
(X)	<b>Total Comprehensive Income / (Loss) for the period (VIII + IX)</b>	<b>3,207.20</b>	<b>1,709.14</b>	<b>(9,164.17)</b>
(XI)	Paid-up equity share capital	1,926.67	1,926.67	1,000.00
(XII)	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	2,415.17	(3,774.35)
(XIII)	Earnings per Share of Rs.10 each (not annualised)			
	- Basic	39.15	28.89	(79.16)
	- Diluted	37.84	27.92	(7.82)
(XIV)	Debt Equity Ratio	17.37	17.37	(34.91)
(XV)	Debt Service Coverage Ratio (without considering the exceptional items)	1.84	1.16	0.47
(XVI)	Interest Service Coverage Ratio	1.71	1.26	0.14



Archean Chemical Industries Private Limited  
 CIN: U24298TN2009PTC072270  
 Regd Office: No.20/43, K.B Dasan Road, Teynampet, Chennai - 600 018  
 Statement of Audited Financial Results for the Year ended 31 March 2019

Notes :

1) STATEMENT OF ASSETS AND LIABILITIES

S.No	Particulars	As at 31 March 2019 (Amount in Lakhs)	As at 31 March 2018 (Amount in Lakhs)
<b>I</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-Current Assets</b>		
	Property, plant and equipment	91,341.28	93,982.93
	Other Intangible Assets	8.35	13.56
	Capital Work in Progress	907.03	-
	Financial Assets		
	(i) Non Current Investment	-	0.59
	(ii) Advance tax	586.62	586.62
	(iii) Other financial assets	413.74	299.40
	Deferred tax assets (net)	8,997.10	7,808.34
	Other Non Current Assets	2,567.55	6,815.95
	<b>Total Non-current assets</b>	<b>1,04,821.77</b>	<b>1,09,502.49</b>
<b>2</b>	<b>Current Assets</b>		
	Inventories	6,275.10	11,253.61
	Financial Assets		
	(i) Trade Receivables	6,700.22	2,546.96
	(ii) Cash and Cash Equivalents	4,750.35	1,276.08
	(iii) Other Financial assets	-	-
	Other Current Assets	1,141.00	942.06
	<b>Total current assets</b>	<b>18,865.67</b>	<b>16,118.61</b>
	<b>Total assets</b>	<b>1,23,688.44</b>	<b>1,25,621.10</b>
<b>II</b>	<b>LIABILITIES AND EQUITY</b>		
<b>1</b>	<b>Equity</b>		
	Share Capital	1,926.67	1,000.00
	Other Equity	2,415.17	(3,774.35)
	<b>Total equity</b>	<b>4,341.84</b>	<b>(2,774.35)</b>
<b>2</b>	<b>Liabilities</b>		
	<b>Non-Current Liabilities</b>		
	Financial Liabilities		
	(i) Long-term borrowings	74,051.78	79,204.98
	(ii) Other financial Liabilities	1,386.44	1,282.81
	Other Non-Current Liabilities	29,843.21	6,987.22
	<b>Total non-current liabilities</b>	<b>1,05,281.43</b>	<b>87,475.01</b>
	<b>Current Liabilities</b>		
	Financial Liabilities		
	(i) Short Term Borrowings	1,357.10	17,634.30
	(ii) Trade Payables:		
	(a) total outstanding dues of micro enterprises and small enterprises	-	-
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises	10,475.17	14,034.55
	(iii) Other financial Liabilities	246.70	373.63
	Short Term Provisions	47.99	150.24
	Other Current Liabilities	1,938.21	8,727.72
	<b>Total current liabilities</b>	<b>14,065.17</b>	<b>40,920.44</b>
	<b>Total Liabilities</b>	<b>1,19,346.60</b>	<b>1,28,395.45</b>
	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,23,688.44</b>	<b>1,25,621.10</b>



2) The Financial Results for the six months / year ended March 31, 2019 have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. These financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 21, 2019. The financial statements for the years ended March 31, 2019 and March 31, 2018 have been audited by the respective Statutory auditors.

3) During the year the company has repaid all its existing bank loans through mobilisation of funds by way of NCDs from the Debentureholders and in the said process the Debentureholders have also acquired equity stake in the Company.

4) During the half year ended 31 March 2019, the Company issued and allotted 7,397 listed secured redeemable non-convertible debentures of Rs.10,00,000 each aggregating to Rs.73,970 lakhs and 672,000 Compulsorily Convertible Debentures of Rs.100 each aggregating to Rs.672 lakhs in November 2018. The non-convertible debentures have been listed on the Bombay Stock Exchange on 7 Dec 2018. The Company has published unaudited financial results for the first time for the six months ended 31 March 2019 and hence financial results for the half year ended 31 March 2018 are not furnished in this document.

5) Exceptional items comprises write back of interest on loans.

6) The Company is primarily engaged in the business of manufacture of marine chemicals and hence, does not have any additional disclosures to be made under Ind AS 108 - Operating Segments.

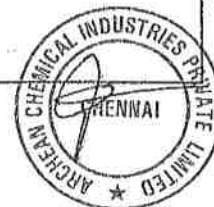
7) The Company has adopted Indian Accounting Standards ("Ind AS") with effect from 1 April 2013 and the effective date of transition being 1 April 2017. Accordingly, the above financial results have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. The reconciliation between audited financial results for year ended 31 March 2018 and equity as at 31 March 2018, as previously reported (referred to as "previous GAAP") and Ind AS is as under:

a. As required by paragraph 32 of Ind AS 101, net profit reconciliation between the figures reported under the Previous Indian GAAP and Ind AS is as under:

PARTICULARS	For the Year ended 31 March 2018 (Amount Rs. in Lakhs)
Loss as per Previous GAAP before taxes	(7,773.19)
Less: Current tax	42.50
Loss as per Previous GAAP after taxes	(7,815.69)
<b>Ind AS: Adjustments (increase) decrease:</b>	
(I) Impact due to provision for expected credit loss on receivables	33.56
(II) Finance lease adjustments	(112.55)
(III) Remeasurement of employee defined benefit obligations	(21.52)
Total adjustment to profit or loss	(100.51)
Loss under Ind AS	(7,916.20)
Actuarial loss on employee defined benefit plans net of tax effect	(4.18)
Total Comprehensive Income under Ind ASs	(7,920.38)

b. As required by paragraph 32 of Ind AS 101, total equity reconciliation between the figures reported under the Previous Indian GAAP and Ind AS is as under:

PARTICULARS	As at 31 March 2018 (Amount Rs. in Lakhs)
Total equity as per previous Indian GAAP	(3,733.34)
<b>Ind AS: Adjustments (increase) decrease:</b>	
<b>Ind AS transition effects:</b>	
(i) Finance lease adjustments	(71.55)
(ii) Impact due to provision for expected credit loss on receivables	(783.42)
(iii) Remeasurement of employee defined benefit obligations	(9.25)
(iv) Equity component of loan from promoters	1,927.90
<b>Effect in the Statement of Profit &amp; Loss:</b>	
Effect of provision for expected credit loss	33.56
Finance Lease adjustment	(112.55)
Gratuity entry	(21.52)
Remeasurements of the defined benefit plans net of tax effect	(4.18)
Total equity as per Ind AS.	(2,774.35)



8) Subsequent to the year end, the Company issued and allotted 403 secured Non-Convertible Debentures of Rs.10,00,000 each aggregating to Rs.4,030 lakhs to the Investors on 15 May 2019 which were listed in the Bombay Stock Exchange on 21 May 2019.

9) Consequent to Introduction of Goods and Services Tax (GST) w.e.f July 2017, revenue for the year ended March 31, 2019 is presented net of GST in compliance with Indian Accounting Standard (Ind AS) 18 - "Revenue". The revenue from operations for the year ended March 31, 2018 are inclusive of excise duty of Rs. 292.95 lakhs for the period upto 30 June 2017, and are not comparable with the revenue from operations for the year ended March 31 2019 to that extent.

10) The figures for the six months ended March 31, 2019 is the balancing figure between the audited figures in respect of the full financial year and the figures for the six months ended September 30, 2018. These half yearly results for the six months ended September 30, 2018 as prepared by the management, were not required to be subject to a limited review by the statutory auditors of the Company.

11) The comparative financial information of the Company of the immediately preceding year ended March 31, 2018 were audited by the predecessor auditor who expressed an unmodified opinion on those financial statements vide their report dated October 26, 2018.

12) Previous year / period figures have been regrouped wherever necessary to conform to the current year presentation.

For and on behalf of the Board of Directors



P Ranjit  
Whole-time Director  
DIN : 01952929

Place : Chennai  
Date : 21-May-19



**INDEPENDENT AUDITOR'S REPORT  
TO THE BOARD OF DIRECTORS OF  
ARCHEAN CHEMICAL INDUSTRIES PRIVATE LIMITED**

1. We have audited the accompanying Statement of Financial Results of **Archean Chemical Industries Private Limited** ("the Company"), for the year ended 31/03/2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Ind AS 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 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 52 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 year ended 31 March 2019.



RS


5. The Statement includes the results for the half year ended 31 March 2019 being the balancing figure between audited figures in respect of the full financial year and the unaudited figures up to the half year ended 30 September 2018, which were not subjected to limited review.

**Reporting on comparatives of Ind AS Results, being part of first Ind AS financial statements**

6. The previously issued comparative financial information of the Company for the year ended 31st March 2018 included in this Statement has been prepared after adjusting the previously issued financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued comparative financial information were audited by the predecessor auditor whose report for the year ended 31st March 2018 dated 26 October 2018 expressed an unmodified opinion on those comparative financial information. Adjustments made to the previously issued said comparative financial information to comply with Ind AS have been audited by us.

Our report is not modified in respect of this matter.

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

  
Geetha Suryanarayanan  
Partner  
(Membership No.29519)

Chennai, May 21, 2019



To  
The Company Secretary  
Archean Chemical Industries Private Limited  
No.20/43, KB Dasan Road,  
Teynampet, Chennai 600 018

Dear Sir,

**Sub: Certificate u/r 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 for Rs.739.70 crores Non-Convertible Debentures by Archean Chemical Industries Private Limited for the year ended 31<sup>st</sup> March 2019**

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We are acting as Debenture Trustee for the listed, rated, secured, redeemable Non-Convertible Debentures of Rs.739.70 crores issued and allotted by Archean Chemical Industries Private Limited on a private placement basis as on 31<sup>st</sup> March 2019.

In terms of the provisions of Regulations 52(5) of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 (Regulations), we hereby certify that we have taken note of the disclosures made by the Issuer under Regulation 52(4) of the Regulations.

Thanking you,

Yours faithfully,

For IDBI Trusteeship Services Limited

  
Authorised Signatory