

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

CHEMFAB/SEC/2019 -20/45

October 30, 2019

The Manager,
Listing Department
The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001.

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

BSE – Security Code: 541269

NSE Symbol: CHEMFAB

Dear Sir/ Madam,

Sub: Un-Audited Financial Results as on 30th September 2019

Ref: Regulation 33 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and SEBI CIR/CFD/CMD/56/2016 dated 27th May, 2016

Pursuant to SEBI Circular no. SEBI CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby confirm that M/s. Deloitte Haskins & Sells LLP, Statutory Auditors of the Company, have issued Auditors review report on the Un-Audited Financial Statement of the company for the Quarter and Half – year ended September 30, 2019 with Unmodified Opinion.

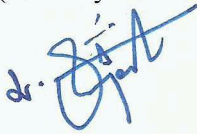
We herewith enclosed the Un-Audited Financial Results of the Company for the Quarter and Half year ended September 30, 2019 as recommended by the Audit Committee and approved by the Board of Directors.

Kindly take the above information on record.

Thanking You,

Yours faithfully,

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


Dr. V. Rajesh
Company Secretary.



CIN No.: L24290TN2009PLC071563

Member **Dr. Rao's Group of Companies**

Regd. Off : 'TEAM HOUSE', GST Road, Vandalur, Chennai - 600 048, India

Chennai Office : No.1A, Jayamkondar Towers, 12/40, Murrays Gate Road, Alwarpet, Chennai - 600018.

Tel : 044-42031 444 / 2498 7874 E-mail : chemfabmktg@draaholdings.com

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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF CHEMFAB ALKALIS LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **CHEMFAB ALKALIS LIMITED** ("the Company"), for the Quarter and Six months ended 30 September 2019 ("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 amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared 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. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 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.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



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

Sriraman Parthasarathy
Partner
Membership No. 206834

Chennai, 30 October 2019
PS/EKP/KS/2019/55

Unique Document Identification Number: 19206834AAAABB9347

(Amount Rs. In Lakhs)

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30/09/2019

Sl. No.	Particulars	3 Months ended	Preceding	Corresponding	Year to date figures	Year to date figures	Previous Year
		30/09/2019	3 Months ended	3 months ended	for current period	for previous period	ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Revenue from Operations	5,632.86	5,604.95	4,356.80	11,237.81	9,294.78	19,318.96
	(b) Other Income	53.75	64.76	113.56	118.51	253.50	472.70
	Total Income	5,686.61	5,669.71	4,470.36	11,356.32	9,548.28	19,791.66
2	Expenses						
	(a) Cost of Materials Consumed	935.14	920.37	223.89	1,855.51	537.58	1,832.48
	(b) Purchase of Stock in trade	178.31	191.40	-	369.71	-	326.92
	(c) Power, Fuel & Others	1,884.38	1,731.70	1,777.59	3,616.08	4,045.80	7,561.11
	(d) Changes in Inventories of Finished goods and Work-in-Progress	(119.79)	(68.26)	185.76	(188.05)	27.43	(178.69)
	(e) Employee Benefits Expense	477.14	432.98	393.15	910.12	822.40	1,614.19
	(f) Finance Cost	79.54	87.66	52.40	167.20	91.42	199.20
	(g) Depreciation and Amortisation Expense (Refer note 5)	650.84	476.10	333.63	1,126.94	657.80	1,492.12
	(h) Other Expenses	773.98	612.56	392.93	1,386.54	1,037.99	2,132.73
	Total Expenses	4,859.54	4,384.51	3,359.35	9,244.05	7,220.42	14,980.06
3	Profit before Exceptional Items (1-2)	827.07	1,285.20	1,111.01	2,112.27	2,327.86	4,811.60
4	Exceptional Items (Not) (Refer notes 6 & 7)	385.67	-	(1,963.25)	385.67	(1,963.25)	(1,963.25)
5	Profit / (Loss) before Tax (3-4)	1,212.74	1,285.20	(852.24)	2,497.94	364.61	2,848.35
6	Tax Expense						
	- Current tax	171.50	279.88	243.00	451.38	513.00	1,027.88
	- Deferred tax	133.11	101.30	(392.41)	234.41	(280.66)	144.89
	Total Tax Expense	304.61	381.18	(149.41)	685.79	232.34	1,172.77
7	Net Profit / (Loss) after Tax (5-6)	908.13	904.02	(702.83)	1,812.15	132.27	1,675.58
8	Other Comprehensive Income						
	(a) Items that will not be reclassified to the Statement of Profit and Loss						
	- Effect of Measuring investment at fairvalue	(0.26)	(0.65)	(0.68)	(0.91)	(1.44)	(1.25)
	- Actuarial Adjustments on defined benefit obligation	0.61	0.61	-	1.22	20.53	2.43
	- Deferred tax on Adjustments	0.09	(0.18)	0.20	(0.09)	(6.98)	(0.71)
	(b) Items that will be reclassified to the Statement of Profit and Loss	-	-	-	-	-	-
	Total Other Comprehensive Income / (Loss) Net of Tax	0.44	(0.22)	(0.48)	0.22	12.11	0.47
9	Total Comprehensive Income / (Loss) (7+8)	908.57	903.80	(703.31)	1,812.37	144.38	1,676.05
10	Paid-up Equity Share Capital (Face Value of Rs. 10 per share) (Refer note 2)	1,392.95	1,392.95	1,389.05	1,392.95	1,389.05	1,389.05
11	Reserves (Other Equity)						23,721.76
12	Earning per Share (Face Value of Rs. 10 per share) (not annualised):						
	(a) Basic	6.52	6.50	(5.06)	13.02	0.95	12.07
	(b) Diluted	6.47	6.45	(5.06)	12.93	0.94	11.96



NOTES:

- The above Unaudited financial results were reviewed by the Audit Committee at its meeting held on 30 October 2019 and approved by the Board of Directors of the Company at their meeting held on that date.
- During the preceding quarter, the Company has allotted 39,000 Equity shares of Rs. 10 each upon exercise of Employee stock options by the eligible employees under Employee's Stock Option Scheme "CAESOS 2015". Consequently, the paid up share capital of the Company has increased from Rs. 1,389.05 Lakhs to Rs. 1,392.95 Lakhs.
- The Company has identified its reportable segments in accordance with Ind AS 108 - Segments. Accordingly, two reportable segments i.e. Chemicals & Related Products and PVC - O Pipes have been identified, the details of which are given below:

(Amount Rs. In Lakhs)							
Sl. No.	Particulars	3 Months ended 30/09/2019	Preceding 3 Months ended 30/06/2019	Corresponding 3 months ended 30/09/2018 in the previous year	Year to date figures for current period ended 30/09/2019	Year to date figures for previous period ended 30/09/2018	Previous Year ended 31/03/2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Segment Revenue						
1	a) Chemicals & related Products	4,293.79	4,109.81	4,356.80	8,403.60	9,294.78	17,985.73
	b) PVC-O Pipes	1,339.07	1,495.14	-	2,834.21	-	1,335.63
	Total	5,632.86	5,604.95	4,356.80	11,237.81	9,294.78	19,321.36
	Less: Inter Segment Revenue						
	Net Segment Revenue	5,632.86	5,604.95	4,356.80	11,237.81	9,294.78	19,318.96
	Segment Result before tax						
2	a) Chemicals & related Products	981.42	978.51	(900.40)	1,959.93	220.21	2,417.54
	b) PVC-O Pipes	257.11	329.59	(13.00)	586.70	(17.68)	157.31
	Total	1,238.53	1,308.10	(913.40)	2,546.63	202.53	2,574.85
	Less: Finance Cost	79.54	87.66	52.40	167.20	91.42	199.20
	Add: Other Income	53.75	64.76	113.56	118.51	253.50	472.70
	Total Profit/(Loss) Before Tax	1,212.74	1,285.20	(852.24)	2,497.94	364.61	2,848.35
	Segment Assets:						
3	a) Chemicals & related Products	21,421.54	20,338.13	19,748.28	21,421.54	19,748.28	19,747.28
	b) PVC-O Pipes	7,523.79	7,116.75	4,288.72	7,523.79	4,288.72	6,801.51
	Total Segment Assets	28,945.33	27,454.88	24,037.00	28,945.33	24,037.00	26,548.79
	Add: Unallocable assets	5,398.78	5,663.91	5,967.55	5,398.78	5,967.55	5,550.34
	Total Assets	34,344.11	33,118.79	30,004.55	34,344.11	30,004.55	32,099.13
	Segment Liabilities:						
4	a) Chemicals & related Products	2,789.29	3,207.84	2,755.87	2,789.29	2,755.87	2,664.40
	b) PVC-O Pipes	723.41	384.11	8.01	723.41	8.01	792.03
	Total Segment Liabilities	3,512.70	3,591.95	2,763.88	3,512.70	2,763.88	3,456.43
	Add: Unallocable liabilities	4,122.00	3,729.84	3,669.42	4,122.00	3,669.42	3,531.89
	Total Liabilities	7,634.70	7,321.79	6,433.30	7,634.70	6,433.30	6,988.32

Note: The PVC-O project for manufacturing and selling of PVC-O pipes & fittings at Sri City, Tada, Andhra Pradesh was commissioned on 22 December 2018.

- On April 1, 2019, the Company has adopted Ind AS 116, Leases, using modified retrospective approach. Accordingly, the comparatives have not been retrospectively adjusted. The adoption of Ind AS 116 did not have any material impact on the results for the quarter and six months ended September 30, 2019.

5 Depreciation and amortisation comprises the following:

Particulars	3 Months ended 30/09/2019	Preceding 3 Months ended 30/06/2019	Corresponding 3 months ended 30/09/2018 in the previous year	Year to date figures for current period ended 30/09/2019	Year to date figures for previous period ended 30/09/2018	Previous Year ended 31/03/2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Depreciation (Including Accelerated Depreciation)	643.04	466.56	315.44	1,109.60	621.64	1,418.83
Amortisation	7.80	9.54	18.19	17.34	36.16	73.29
Total	650.84	476.10	333.63	1,126.94	657.80	1,492.12

6 Exceptional Items (Net) referred to in financial results represents the following:

Particulars	3 Months ended 30/09/2019	Preceding 3 Months ended 30/06/2019	Corresponding 3 months ended 30/09/2018 in the previous year	Year to date figures for current period ended 30/09/2019	Year to date figures for previous period ended 30/09/2018	Previous Year ended 31/03/2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Gain on Sale of Property	385.67	-	-	385.67	-	-
Impairment of Ongole Plant (Net) (Refer Note 7)	-	-	(1,963.25)	-	(1,963.25)	(1,963.25)
Total (Net)	385.67	-	(1,963.25)	385.67	(1,963.25)	(1,963.25)

- The Company had suspended the operations at its Ongole plant from 10 July 2018 in order to dispose excess accumulated inventory, post which the Management is evaluating various options of running the unit profitably.
 - Pending final decision of viability of the unit, the operations at the Ongole Plant remains suspended till further notice. The Management has carried out a detailed impairment evaluation and had recognised an impairment loss (net) of Rs. 1,963.25 Lakhs pertaining to the carrying value of its property, plant and equipment, and disclosed as Exceptional Item under Statement of Profit & Loss for the year ended 31 March 2019.
- The Statement of Assets and Liabilities as at 30 September 2019 and the Statement of Cash Flows are provided as Annexures to this Statement.



For Chemfab Alkalies Limited

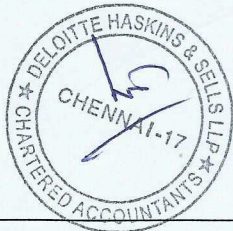
Suresh Krishnamurthi Rao

Suresh Krishnamurthi Rao
Chairman
DIN No: 00127809

STATEMENT OF ASSETS AND LIABILITIES (Refer Note 8)

Particulars	(Amount Rs. In Lakhs)	
	As at Current Six months ended 30/09/2019	As at Previous Year ended 31/03/2019
	Unaudited	Audited
I. ASSETS		
(1) Non-current assets		
(a) Property Plant and Equipment	20,657.65	19,350.34
(b) Capital work-in-progress	1,345.43	1,015.33
(c) Right of Use Assets (Refer Note 4)	478.83	-
(d) Investment Property (Refer Note 6)	-	19.61
(e) Intangible Assets	30.83	30.98
(f) Financial Assets		
(i) Investments	2.62	3.53
(ii) Other Financial Assets	675.01	854.33
(g) Non Current Tax Assets (Net)	43.52	36.01
(h) Deferred Tax Assets (Net)	5,257.77	5,492.27
(i) Other Non-Current Assets	1,018.23	678.71
Total Non-Current Assets	29,509.89	27,481.11
(2) Current assets		
(a) Inventories	1,504.72	823.21
(b) Financial Assets		
(i) Investments	0.01	0.35
(ii) Trade Receivables	1,546.73	1,634.10
(iii) Cash and Cash Equivalents	8.91	104.10
(iv) Bank balances other than (iii) above	318.32	303.29
(v) Other Financial Assets	495.63	497.51
(c) Current Tax Assets (net)	73.62	-
(d) Other Current Assets	886.28	1,255.46
Total Current Assets	4,834.22	4,618.02
TOTAL ASSETS	34,344.11	32,099.13
I. EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share Capital	1,392.95	1,389.05
(b) Other Equity	25,316.46	23,721.76
Total Equity	26,709.41	25,110.81
(2) Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	2,488.39	2,798.64
(ii) Trade Payables		
- Total Outstanding dues of micro enterprises and small enterprises	-	-
- Total Outstanding dues of creditors other than micro enterprises and small enterprises	318.87	318.87
(iii) Lease Liabilities (Refer Note 4)	99.34	-
(iv) Other Financial Liabilities	64.19	62.52
(b) Provisions	138.29	144.11
Total Non-Current Liabilities	3,109.08	3,324.14
(3) Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	916.96	-
(ii) Trade Payables		
- Total Outstanding dues of micro enterprises and small enterprises	33.88	9.44
- Total Outstanding dues of creditors other than micro enterprises and small enterprises	1,744.47	1,211.61
(iii) Lease Liabilities (Refer Note 4)	15.08	-
(iv) Other Financial Liabilities	1,221.43	1,541.48
(b) Provisions	180.69	177.01
(c) Current tax liabilities (Net)	58.87	96.66
(d) Other Current Liabilities	354.24	627.98
Total Current Liabilities	4,525.62	3,664.18
TOTAL LIABILITIES	34,344.11	32,099.13

For CHEMFAB ALKALIS LIMITED



Suresh Krishnamurthi Rao

SURESH KRISHNAMURTHI RAO
CHAIRMAN
DIN No: 00127809

Place : Chennai
Date : 30 October 2019

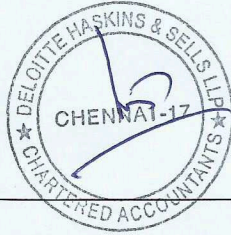
Chemfab Alkalis Limited
CIN:L24290TN2009PLC071563
Regd. Office: Team House, Vandalur, Chennai 600 048.
Phone No: +91 44 22750323 Fax No: +91 44 22750860

STATEMENT OF CASH FLOWS (Refer Note 8)

Particulars	(Amount Rs. In Lakhs)	
	For the Six months ended 30/09/2019	For the Six months ended 30/09/2018
	Unaudited	Unaudited
A. Cash flow from operating activities		
i) Profit before taxes	2,497.94	364.61
ii) Operating Profit before working capital changes	3,588.62	3,002.87
iii) Net cash generated from / (used in) operating activities	3,117.85	1,552.03
B. Cash flow from / (used in) investing activities	(3,481.57)	(2,432.71)
C. Cash flow from / (used in) financing activities	268.19	568.99
D. Net Cash flow for the period (A) + (B) + (C)	(95.53)	(311.69)

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7 - 'Statement of Cash Flows'

Place : Chennai
Date : 30 October 2019



For CHEMFAB ALKALIS LIMITED

SURESH KRISHNAMURTHI RAO
CHAIRMAN
DIN No: 00127809