

Ref: MPL / Sectl / BSE & NSE / E-2 & E-3 / 2022
24th May 2022

The Manager
Listing Department
BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda Building, P J Tower
Dalal Street, Fort
Mumbai - 400 001
Stock Code: 500268

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai - 400 051
Stock Code: MANALIPETC

Dear Sir,

Sub: Outcome of Board Meeting held on 24th May 2022 - Results and Dividend

1. Audited Financial Results

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Separate and Consolidated Audited Financial Results of the Company for the year ended 31st March 2022, which were approved by the Board of Directors at the meeting held today. The Reports of the Auditors and the declaration regarding unmodified opinion are also enclosed.

The above are also available in the Company's website www.manalipetro.com

2. Recommendation of Dividend

At the above meeting, the Board has recommended a dividend of ₹ 2.50 paise per equity share of ₹ 5/- each, full paid-up, [50%], subject to the approval of the Members at the ensuing Annual General Meeting [AGM].


The date of payment of dividend will be informed in due course, upon finalization of the date of the AGM.

We request you to kindly take the above on record.

Thanking you.

Yours faithfully,

For Manali Petrochemicals Limited



R Kothandaraman
Company Secretary

Enc: As above

Factories :

Plant - 1 : Ponneri High Road, Manali, Chennai - 600 068

Plant - 2 : Sathangadu Village, Manali, Chennai - 600 068

Phone : 044 - 2594 1025 Fax : 044 - 2594 1199

E-mail: cs@manalipetro.com



DECLARATION

Pursuant to second proviso to Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that the Reports of the Auditors on the Standalone and Consolidated Financial Results for the year ended 31st March 2022 do not contain any modified opinion.

For Manali Petrochemicals Limited



Anis Tyebali Hyderi
Chief Financial Officer

Place: Chennai

Date: 24.05.2022

Factories :

Plant - 1 : Ponneri High Road, Manali, Chennai - 600 068

Plant - 2 : Sathangadu Village, Manali, Chennai - 600 068

Phone : 044 - 2594 1025 Fax : 044 - 2594 1199

E-mail: cs@manalipetro.com

Independent Auditor's Report

To the Board of Directors of
The Manali Petrochemicals Limited
Chennai.

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of Manali Petrochemicals Limited ("the company") for the year ended 31.03.2022, 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 amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone annual financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the year ended 31st March 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results



Emphasis of Matter:

Without qualifying the audit opinion, attention is invited to

Note No.4(a) to the standalone annual financial results, which explains the period of lease relating to the leasehold land on which one of the manufacturing units of the Company (Unit-II) is operating has since expired on June 30, 2017, for which requests for renewal have been filed by the Company with Govt. of Tamil Nadu (the Lessor), and extension of lease is awaited. Pending renewal of lease, no adjustments have been made in the financial results for the year for any potential impact of non-renewal of land lease which is unascertainable at this point of time. Further the management is confident of obtaining the renewal of lease of land in the due course.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Board of Directors is responsible for the preparation of these standalone annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.



The Board of Directors is also responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the



related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The Financial Results include the results for the quarter ended 31st March 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the financial year which were subject to limited review by us.

For Brahmayya & Co.,
Chartered Accountants
Firm Registration No. 000511S




N Sri Krishna

Partner

Membership No. 026575

UDIN: 22026575ATNFOK 8930

Place : Chennai

Date : May 24, 2022

MANALI PETROCHEMICALS LIMITED

Registered Office: SPIC HOUSE, 88, Mount Road, Guindy, Chennai - 600 032
 Telefax: 044-2235 1098 E-mail: companysecretary@manalipetro.com Website: www.manalipetro.com
 Corporate Identity Number : L24294TN1986PLC013087

Statement of Standalone Financial Results for the Quarter and Year ended 31.03.2022						[Rs. in Lakh]
S. No	Particulars	Three Months ended			Year ended	
		Audited #	Unaudited	Audited #	Audited	
		31-Mar-22	31-Dec-21	31-Mar-21	31-Mar-22	31-Mar-21
1	Revenue from Operations	36,089.07	39,949.33	33,335.92	1,44,367.11	92,222.61
2	Other Income	536.50	403.05	329.84	1,687.25	1,252.79
3	Total Income (1+2)	36,625.57	40,352.38	33,665.76	1,46,054.36	93,475.40
4	Expenses					
	Cost of materials consumed	18,795.46	20,694.19	16,912.12	73,309.47	48,523.53
	Changes in inventories of finished goods, work-in- progress	1,696.07	(725.47)	(546.68)	(186.04)	446.79
	Utility Expenses	2,431.52	2,652.30	1,945.62	9,724.10	6,594.46
	Employee benefits expense	1,076.06	760.18	523.31	3,250.36	2,627.04
	Finance costs (Refer Note No 4b)	352.36	190.11	105.35	906.08	441.68
	Depreciation and amortization expense (Refer Note No 4b)	506.96	548.79	373.15	1,883.25	2,047.38
	Other expenses	1,873.33	1,580.90	1,772.28	6,038.62	5,011.69
	Total Expenses	26,731.76	25,701.00	21,085.15	94,925.84	65,692.57
5	Profit Before Exceptional items and Taxes (3-4)	9,893.81	14,651.38	12,580.61	51,128.52	27,782.83
6	Exceptional Items (Refer Note No 6)	(286.13)	0.00	(139.67)	(668.50)	(2075.30)
7	Profit Before Tax (5+6)	9,607.68	14,651.38	12,440.94	50,460.02	25,707.53
8	Tax Expense					
	Current tax	2580.56	3799.94	3124.02	13048.39	7123.52
	Short/(Excess) provision for tax relating to prior years	(9.60)	-	(26.42)	(9.60)	(26.42)
	Deferred tax	(156.93)	(52.07)	137.64	(248.00)	(649.36)
	Net tax expense	2414.03	3747.87	3,235.24	12,790.79	6,447.74
9	Profit for the period (7-8)	7,193.65	10903.51	9,205.70	37,669.23	19,259.79
10	Other Comprehensive Income					
	Items that will not be classified to profit or (loss)					
	Changes in Fair Value of Equity Investments	0.10	(0.10)	(0.03)	0.13	0.21
	Remeasurement Cost of net defined benefits	(236.42)	0.26	(15.69)	(227.93)	(52.77)
	Income Tax relating to items that will not be re-classified to Profit or Loss	60.56	(0.06)	4.02	58.39	13.52
11	Total Comprehensive Income for the period (9+10)	7,017.89	10903.61	9,194.00	37,499.82	19,220.75
12	Paid-up equity share capital (Face value of Rs.5/- each)	8,603.47	8,603.47	8,603.47	8,603.47	8,603.47
13	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting Year				89,950.78	55,031.11
14	Earnings Per Share of Rs. 5/- each (Basic and Diluted) (Not annualised)	4.18	6.34	5.35	21.90	11.20

refer Note 9



Notes:

1 Statement of Standalone Assets and Liabilities as at March 31, 2022

{Rs. In Lakh}

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	Audited	Audited
A. ASSETS		
I Non Current Assets		
a) Property, Plant and Equipment	18,396.77	15,859.24
b) Capital work-in-progress	1,350.16	2,841.59
c) Right of Use Assets	5,163.27	2,278.20
d) Investment Property	4.98	4.98
e) Financial Assets:		
i) Investments	11,044.55	11,049.67
ii) Other Financial Assets	17.98	15.63
f) Other Non-Current Assets	2,421.07	1,961.88
TOTAL NON-CURRENT ASSETS	38,398.77	34,011.18
II Current Assets		
a) Inventories	6,911.52	6,023.41
b) Financial Assets:		
i) Trade Receivables	13,357.24	14,918.00
ii) Cash and Cash Equivalents	59,877.27	25,301.16
iii) Bank balances other than ii) above	524.54	540.53
iv) Loans	35.52	40.90
v) Other Financial Assets	174.61	91.07
c) Other Current Assets	861.52	1,548.64
TOTAL CURRENT ASSETS	81,742.22	48,463.71
TOTAL ASSETS	1,20,140.99	82,474.89
B. EQUITY AND LIABILITIES		
I Equity		
a) Equity Share Capital	8,603.47	8,603.47
b) Other Equity	89,950.78	55,031.11
TOTAL-EQUITY	98,554.25	63,634.58
II Liabilities		
II. A Non-Current Liabilities		
a) Financial Liabilities		
i) Other Long-Term Liabilities	6,482.98	3,186.95
b) Provisions	459.02	254.13
c) Deferred Tax Liabilities (net)	142.49	390.49
d) Other Non-Current Liabilities	368.33	385.13
TOTAL NON-CURRENT LIABILITIES	7,452.82	4,216.70
II. B Current Liabilities		
a) Financial Liabilities		
i) Borrowings	1,645.58	1,309.98
ii) Trade Payables		
1 Total outstanding dues to Micro Enterprises and Small Enterprises	200.57	332.69
2 Total outstanding dues to creditors other than Micro Enterprises and Small Enterprises	5,338.68	6,413.00
iii) Other Financial Liabilities	404.95	387.53
b) Other Current Liabilities	3,963.99	4,142.15
c) Provisions	2,022.97	1,713.81
d) Current Tax Liabilities (Net)	557.18	324.45
TOTAL CURRENT LIABILITIES	14,133.92	14,623.61
TOTAL LIABILITIES	21,586.74	18,840.31
TOTAL EQUITY AND LIABILITIES	1,20,140.99	82,474.89



2 Statement of Standalone Cash Flow as at March 31, 2022

{Rs. In Lakh}

Particulars	For the year ended March 31, 2022	For the period ended March 31, 2021
	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	50,460.02	25,707.54
Adjustments for		
Depreciation	1,444.86	1,735.60
Provisions no longer required written back	(30.44)	-
Dividend income	-	(1.38)
Finance costs	906.08	441.68
Remeasurement Cost of net defined benefits	(227.93)	(52.77)
Interest income	(1,472.05)	(1,007.18)
Provision for doubtful debts	29.93	2.99
Net unrealised exchange (gain) / loss	(23.68)	29.99
Loss on sale / write-off of assets	86.13	2,075.31
Operating Profit	51,172.92	28,931.78
Changes in Working Capital		
Adjustments for (increase) / decrease in operating assets		
Inventories	(888.11)	1,438.70
Trade Receivables	1,530.83	(7,128.32)
Other Financial Assets	(78.16)	(60.04)
Other Current Assets	687.12	(643.89)
Other Non-Current Assets	(282.37)	143.32
Adjustments for increase / (decrease) in operating liabilities		
Trade payables	(1,182.76)	2,253.77
Other financial liabilities	17.33	(10.18)
Other Current liabilities	(195.15)	2,484.12
Short-term provisions	309.16	(510.11)
Other Non Financial Liabilities	(16.80)	(32.13)
Long-term provisions	204.89	(22.78)
Net income tax paid	(12,789.05)	(6,786.17)
Net cash from / (used in) Operating activities [A]	38,489.85	20,058.07
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, including capital advances	(2,714.81)	(2,656.90)
Investments in Equity shares	5.25	(4.63)
Interest income	1,472.05	1,007.18
Dividend income	-	1.38
Bank balances not considered as cash and cash equivalents	15.99	20.38
Net cash from / (used in) Investing activities [B]	(1,221.52)	(1,632.59)
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) / Proceeds from Short-term borrowings	335.60	414.05
Interest paid	(447.68)	(366.51)
Dividend paid	(2,580.14)	(1,290.35)
Net cash from / (used in) Financing Activities [C]	(2,692.22)	(1,242.81)
Net (decrease) / increase in cash and cash equivalents = (A+B+C)	34,576.11	17,182.68
Cash and cash equivalents at the beginning of the period	25,301.16	8,118.49
Cash and cash equivalents at the end of the period	59,877.27	25,301.16

Components of Cash & Cash Equivalents:

Cash on hand	1.01	2.60
Balance(s) In current accounts (including debit balance(s) in cash credit)	576.26	398.56
Balances in Fixed deposit original maturity period less than 3 months	59,300.00	24,900.00
Total Cash and Cash Equivalents	59,877.27	25,301.16

A



Notes to Standalone Financial Results:

3 **Review and approval of the financial results:**

The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 24, 2022 and have been audited by the Statutory Auditors of the Company.

4 **Leasehold Land:**

- a) The period of lease relating to the leasehold land expired on June 30, 2017 for which request for renewal for a further period of 30 years has been filed by the Company with Govt. of Tamilnadu, which is under process. The Management is confident that renewal of the lease will be granted as requested as the land has been put to use for the specific purpose for which it has been allotted and hence no adjustments for impact of non-renewal, (which however is unascertainable at this point in time), are deemed necessary in the financial results.
- b) During FY 2018-19 the Company received a notice from Thasildhar, Tiruvottiyur, demanding payment of Rs. 19,836 lakh as arrears of lease rent up to 2016 relating to the Plant -II lease hold land for which no details were provided. The Company had received a similar claim in FY 2013-14, for Rs. 1,677 lakh as lease rent arrears up to Fasli Year 1423 (June 30, 2013) without any details. Thus, both the aforesaid demands did not contain the basis on which the claims were raised. The Company disputed the above claims and sought details for the same. Based on a legal advice that taking into account the arbitrariness involved, the said claims were devoid of any merits and so need not be reckoned as any kind of obligation on the Company. Accordingly, these claims had been disclosed as Claims against the Company not acknowledged as debts in the earlier Financial Statements.

In this connection, during July 2021, the Company received a demand of Rs. 518.03 Lakh as arrears of lease rent computed from beginning of lease, viz, 1.7.1987 up to 30.06.2020, with necessary details for the claim, which has since been paid. Based on the said demand, the Company has accounted an amount of Rs. 382.37 Lakh net of provisions already made towards differential lease rent for the period up to 31st March 2021 and shown the same under Exceptional Items.

- c) The lease rent that has been revised has been considered as basis for adopting Ind AS 116 "Leases" with effective from 01.04.2021. Accordingly, the Right of Use Asset value and corresponding lease liability based on the above have been arrived at Rs.3,323.46 Lakhs and recognised in the books of accounts. Pursuant to the same Rs. 31.65 Lakh depreciation and Rs. 81.95 Lakh finance cost have been accounted for the quarter under review and Rs.126.61 Lakh and Rs. 328.93 Lakh respectively for the year ended 31.03.2022. Adjustments, if any necessitated by the actual terms of the renewal would be made to these in due course, on receipt of the same from the Government'

The Auditors have included an Emphasis of Matter para relating to the above 4(a), in their Audit Report

5 **Dividend:**

The Board of Directors has recommended a dividend of Rs. 2.50 (50%) per share on 171,999,229 equity shares of Rs. 5/- each for the financial year 2021-22, subject to approval of Members at the Annual General Meeting.



Notes to Standalone Financial Results:

6 **Exceptional Items:**

a) For the period under review:

The exceptional items of Rs. 668.50 lakh in FY 2021-22 related to the following

- (i) Arrears of lease rent Rs. 382.37 lakh (Refer Note 4(b) above)
- (ii) Interim environmental compensation pursuant to an order of the Southern Zonal Bench of the National Green Tribunal Rs. 200 Lakh
- (iii) Assets found to be no longer useful written off during the quarter under review 31st March 2022 Rs. 86.13 Lakh

b) For the previous periods included in the Results:

The exceptional items of Rs. 2,075.30 lakh in FY 2020-21 related to the following

- (i) Impairment of assets of Rs. 1036.56 lakh during 2nd quarter of the year pertaining to the Captive Power Plant (CPP) which had been kept aside for use in conversion to LNG in the earlier year and subsequently found to be no so usable.
- (ii) Additional depreciation/amortization/ impairment of Rs. 1535.55 lakh arising from evaluation of major fixed assets during the third quarter of the year of which Rs. 899.07 lakh was shown under Exceptional Items and the remaining Rs. 636.48 lakh under Depreciation and amortization expenses in the results for the relevant period.
- (iii) Write-off of assets with carrying value of Rs. 139.67 lakh, found to be no longer useful on the basis of a physical verification of Property, Plant & Equipment during the quarter ended 31-03-2021.

7 **Update on Subsidiary:**

One of the step-down subsidiary of the Company, Amchem Speciality Chemicals UK Limited has informed that it is proposed to implement a restructuring by which the net assets of the said Step-down subsidiary would be transferred to its Parent Company Amchem Speciality Chemicals Private Limited, Singapore during the FY 2022-23.

8 **Segment reporting:**

Manufacture of petrochemicals is the only operating segment as defined in Ind AS 108: Operating Segments

- 9 The figures for quarters ended 31st March are the balancing figures between audited annual figures in respect of the full financial year and the published year-to-date figures up to the third quarter of the respective financial years
- 10 Previous period / year figures have been regrouped, wherever necessary.

For **Manali Petrochemicals Limited**



Muthukrishnan Ravi
Managing Director



Place: Chennai
Date: May 24, 2022

Independent Auditor's Report

**To the Board of Directors of
The Manali Petrochemicals Limited
Chennai.**

Report on the Audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Manali Petrochemicals Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the year ended 31st March 2022, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid consolidated annual financial results:

- i. include the annual financial results of the following entities

Name of the Entity	Relationship
AMCHEM Speciality Chemicals Private Limited, Singapore	Wholly Owned Subsidiary
AMCHEM Speciality Chemicals UK Limited, UK	Step Down Subsidiary
Notedome Limited, UK	Step Down Subsidiary

- ii. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii. give a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Group for the year ended 31st March 2022.



Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Emphasis of Matter

Without qualifying the audit opinion, attention is invited to

Note No.4(a) to the consolidated annual financial results, which explains the period of lease relating to the leasehold land on which one of the manufacturing units of the Parent Company (Unit-II) is operating has since expired on June 30, 2017, for which requests for renewal have been filed by the Parent Company with Govt. of Tamil Nadu (the Lessor), and extension of lease is awaited. Pending renewal of lease, no adjustments have been made in the financial results for the year for any potential impact of non-renewal of land lease which is unascertainable at this point of time. Further the management is confident of obtaining the renewal of lease of land in the due course.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Results

These Consolidated annual financial results have been prepared on the basis of the consolidated annual audited financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group is responsible for maintenance of adequate accounting records in accordance with the



provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group is responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act,



we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of Holding Company of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matter

The consolidated Financial Results include the audited Financial Results of three subsidiaries, whose Financial Statements reflect Group's share of total assets of Rs.37,010.34 Lakhs as at 31st March 2022, Group's share of total revenue of and Rs.24,313.06 Lakhs, Group's share of total net profit after tax of Rs. 334.23 Lakhs and Group's share of net cash flows of Rs.1,536.25 Lakhs for the year ended 31st March 2022, as considered in the consolidated financial results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

The Financial Results include the results for the quarter ended 31st March 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Brahmayya & Co.,

Chartered Accountants

Firm Registration No. 000511S



N Sri Krishna

Partner

Membership No. 026575

UDIN : 22026575AJNFJP9050

Place : Chennai

Date : May 24, 2022

MANALI PETROCHEMICALS LIMITED

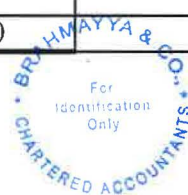
Registered Office: SPIC HOUSE, 88, Mount Road, Guindy, Chennai - 600 032

Telefax: 044-2235 1098 E-mail: Parent Companysecretary@manalipetro.com Website: www.manalipetro.com

Corporate Identity Number : L24294TN1986PLC013087

Statement of Consolidated Financial Results for the Quarter and Year ended 31.03.2022						[Rs. in Lakh]
S. No	Particulars	Three Months ended			Year ended	
		Audited #	Unaudited	Audited #	Audited	
		31-Mar-22	31-Dec-21	31-Mar-21	31-Mar-22	31-Mar-21
1	Revenue from Operations	41,385.26	49,087.40	36,584.01	1,67,193.70	1,02,448.49
2	Other Income	708.21	329.02	384.58	1,787.50	1,349.71
3	Total Income (1+2)	42,093.47	49,416.42	36,968.59	1,68,981.20	1,03,798.20
4	Expenses					
	Cost of materials consumed	21,401.56	28,594.57	19,313.11	90,295.28	54,710.16
	Changes in inventories of finished goods, work-in- progress	3,032.59	(698.98)	(605.80)	963.87	387.81
	Utility Expenses	2,500.98	2,706.97	1,987.77	9,944.90	6,766.32
	Employee benefits expense	1,830.99	1,539.45	1,074.59	6,183.57	4,599.57
	Finance costs (Refer Note No 4b)	356.58	195.15	113.35	931.47	470.55
	Depreciation and amortization expense (Refer Note No 4b)	535.31	580.08	377.97	2,006.75	2,101.38
	Other expenses	2,315.01	1,729.54	2,221.25	6,929.11	5,902.81
	Total Expenses	31,973.02	34,646.78	24,482.24	1,17,254.95	74,938.60
5	Profit Before Exceptional items and Tax (3-4)	10,120.45	14,769.64	12,486.35	51,726.25	28,859.60
6	Exceptional Items (Refer Note No 6)	(286.13)	-	(139.67)	(668.50)	(2,075.30)
7	Profit Before Tax (5+6)	9,834.32	14,769.64	12,346.68	51,057.75	26,784.30
8	Tax Expense					
	Current tax	2,604.50	3,812.38	3,116.03	13,204.06	7,355.60
	Excess provision for tax relating to prior years written back	(4.89)	-	(26.42)	(4.89)	(26.42)
	Deferred tax	(158.77)	(52.06)	118.74	(249.83)	(668.26)
	Net tax expense	2,440.84	3,760.32	3,208.35	12,949.34	6,660.92
9	Profit for the period (7-8)	7,393.48	11,009.32	9,138.33	38,108.41	20,123.38
10	Other Comprehensive Income					
	Items that will not be re-classified to profit or (loss)					
	Changes in Fair Value of Equity Investments	0.10	(0.10)	(0.03)	0.13	0.21
	Remeasurement Cost of net defined benefits	(236.42)	0.26	(15.69)	(227.93)	(52.77)
	Income Tax relating to items that will not be re-classified to Profit or Loss	60.56	(0.06)	4.02	58.39	13.52
	Items that will be re-classified to profit or (loss)					
	Changes in Foreign Currency Translation	(207.37)	63.47	181.90	(311.24)	1,078.44
11	Total Comprehensive Income for the period (9+10)	7,010.35	11,072.89	9,308.53	37,627.76	21,162.78
12	Paid-up equity share capital (Face value of Rs.5/- each)	8,603.47	8,603.47	8,603.47	8,603.47	8,603.47
13	Other Equity excluding Revaluation Reserves as at 31st March				94,440.83	59,393.21
14	Earnings Per Share of Rs. 5/- each (Basic and Diluted, Not annualised)	4.30	6.40	5.31	22.16	11.70

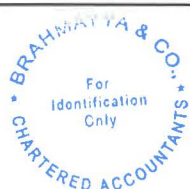
refer Note 10



Notes:

1 Statement of Consolidated Assets and Liabilities as at March 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
	Audited	Audited
A. ASSETS		
I Non Current Assets		
a) Property, Plant and Equipment	19,773.52	17,339.28
b) Goodwill on Consolidation	9,407.27	9,539.39
c) Capital work-in-progress	1,350.16	2,841.59
d) Right of Use Assets	5,163.27	2,278.19
e) Investment Property	4.98	4.98
f) Financial Assets:		
i) Investments	12.37	17.49
ii) Other Financial Assets	17.98	15.63
g) Other non-current assets	2,472.09	2,193.97
TOTAL NON-CURRENT ASSETS	38,201.64	34,230.52
II Current Assets		
a) Inventories	8,773.94	7,035.16
b) Financial Assets:		
i) Trade Receivables	15,822.90	17,191.90
ii) Cash and Cash equivalents	61,223.59	28,155.56
iii) Bank balances other than ii) above	524.54	540.53
iv) Loans	41.40	40.89
v) Other Financial Assets	174.61	91.07
c) Other Current assets	4,250.45	1,923.24
TOTAL CURRENT ASSETS	90,811.43	54,978.35
TOTAL ASSETS	1,29,013.07	89,208.87
B. EQUITY AND LIABILITIES		
I Equity		
a) Equity share capital	8,603.47	8,603.47
b) Other Equity	94,440.83	59,393.21
TOTAL-EQUITY	1,03,044.30	67,996.68
II Liabilities		
II. A Non-Current Liabilities		
a) Financial Liabilities		
i) Other Long-Term Liabilities	6,482.98	3,186.95
b) Provisions	459.02	254.13
c) Deferred Tax Liabilities (net)	201.46	452.11
d) Other non-current Liabilities	368.33	385.13
TOTAL NON-CURRENT LIABILITIES	7,511.79	4,278.32
II. B Current Liabilities		
a) Financial Liabilities		
i) Borrowings	1,867.02	1,428.36
ii) Trade Payables		
1 Total outstanding dues of Micro Enterprises and Small Enterprises	200.57	332.69
2 Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	9,298.71	7,811.08
iii) Other financial liabilities	404.95	387.53
b) Other current liabilities	4,056.18	4,689.27
c) Provisions	2,022.97	1,728.40
d) Current Tax Liabilities (Net)	606.58	556.53
TOTAL CURRENT LIABILITIES	18,456.98	16,933.86
TOTAL LIABILITIES	25,968.77	21,212.18
TOTAL EQUITY AND LIABILITIES	1,29,013.07	89,208.87



2 Consolidated Statement of Cash Flow for the Year ended March 31, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	51,057.75	26,784.30
Adjustments for		
Depreciation	1,568.37	1,789.60
Provisions no longer required written back	(47.04)	-
Dividend income	-	(1.38)
Finance costs	931.47	470.55
Remeasurement Cost of net defined employee benefits	(227.93)	(52.77)
Interest income	(1,472.07)	(1,007.24)
Provision for doubtful debts	29.93	198.79
Net unrealised exchange (gain) / loss	36.94	41.33
Loss on sale / write-off of assets	82.93	2,143.14
Operating Profit	51,960.35	30,366.32
Changes in Working Capital		
Adjustments for (increase) / decrease in operating assets		
Inventories	(1,738.78)	1,855.00
Trade Receivables	1,372.27	(6,547.50)
Other Financial Assets	(0.51)	(2.77)
Other Current Assets	(2,327.21)	(767.97)
Other Non-Current Assets	(570.91)	(168.64)
Adjustments for increase / (decrease) in operating liabilities		
Trade payables	1,318.57	2,537.46
Other financial liabilities	17.42	(10.18)
Other Current liabilities	(419.03)	1,426.56
Short-term provisions	294.57	12.01
Other Non Financial Liabilities	(16.80)	(32.13)
Long-term provisions	204.89	(22.78)
Net income tax paid	(12,789.05)	(6,786.17)
Net cash from / (used in) Operating activities [A]	37,305.77	21,859.21
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, including capital advances	(2,721.59)	(2,448.73)
Investments in Equity shares	5.12	(4.84)
Interest income	1,388.53	950.79
Dividend income	-	1.38
Bank balances not considered as cash and cash equivalents	15.99	20.38
Net cash from / (used in) Investing activities [B]	(1,311.95)	(1,481.02)
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) / Proceeds from Short-term borrowings	438.66	(1,136.21)
Interest paid	(473.07)	(395.38)
Dividend paid	(2,580.14)	(1,290.35)
Net cash from / (used in) Financing Activities [C]	(2,614.55)	(2,821.94)
Net (decrease) / increase in cash and cash equivalents = (A+B+C)	33,379.27	17,556.25
Cash and cash equivalents at the beginning of the period	28,155.56	9,520.86
Effect of Changes in Foreign Currency Translation (FCTR)	(311.24)	1,078.45
Cash and cash equivalents at the end of the period	61,223.59	28,155.56
Components of Cash & Cash Equivalents:		
Cash on hand	1.01	2.60
Balance(s) In current accounts (including debit balance(s) in cash credit)	1,922.58	3,252.96
Balances in Fixed deposit original maturity period less than 3 months	59,300.00	24,900.00
Total Cash and Cash Equivalents	61,223.59	28,155.56



3 **Approval of the financial results:**

The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 24, 2022 and have been audited by the Statutory Auditors of the Company.

4 **Leasehold Land:**

- a) The period of lease relating to the leasehold land expired on June 30, 2017 for which request for renewal for a further period of 30 years has been filed by the Parent Company with Govt. of Tamilnadu, which is under process. The Management is confident that renewal of the lease will be granted as requested as the land has been put to use for the specific purpose for which it has been allotted and hence no adjustments for impact of non-renewal, (which however is unascertainable at this point in time), are deemed necessary in the financial results.
- b) During FY 2018-19 the Parent Company received a notice from Thasildhar, Tiruvottiyur, demanding payment of Rs. 19,836 lakh as arrears of lease rent up to 2016 relating to the Plant -II lease hold land for which no details were provided. The Parent Company had received a similar claim in FY 2013-14, for Rs. 1,677 lakh as lease rent arrears up to Fasli Year 1423 (June 30, 2013) without any details. Thus, both the aforesaid demands did not contain the basis on which the claims were raised. The Parent Company disputed the above claims and sought details for the same. Based on a legal advice that taking into account the arbitrariness involved, the said claims were devoid of any merits and so need not be reckoned as any kind of obligation on the Parent Company. Accordingly, these claims had been disclosed as Claims against the Parent Company not acknowledged as debts in the earlier year's Financial Statements.

In this connection, during July 2021, the Parent Company received a demand of Rs. 518.03 Lakh as arrears of lease rent computed from beginning of lease, viz, 1.7.1987 up to 30.06.2020, with necessary details for the claim, which has since been paid. Based on the said demand, the Parent Company has accounted an amount of Rs. 382.37 Lakh net of provisions already made towards differential lease rent for the period up to 31st March 2021 and shown the same under Exceptional Items.

- c) The lease rent that has been revised has been considered as basis for adopting Ind AS 116 "Leases" with effective from 01.04.2021. Accordingly, the Right of Use Asset value and corresponding lease liability based on the above have been arrived at Rs.3,323.46 Lakhs and recognised in the books of accounts. Pursuant to the same Rs. 31.65 Lakh depreciation and Rs. 81.95 Lakh finance cost have been accounted for the quarter under review and Rs.126.61 Lakh and Rs. 328.93 Lakh respectively for the year ended 31.03.2022. Adjustments, if any necessitated by the actual terms of the renewal would be made to these in due course, on receipt of the same from the Government.

The Auditors have included an Emphasis of Matter para relating to the above 4(a), in their Audit Report

5 **Dividend:**

The Board of Directors has recommended a dividend of Rs. 2.50 (50%) per share on 17,19,99,229 equity shares of Rs. 5/- each for the financial year 2021-22, subject to approval of Members at the Annual General Meeting.



Notes to Consolidated Financial Results:

6 **Exceptional Items:**

a) **For the period under review :**

The exceptional items of Rs. 668.50 lakh in FY 2021-22 related to the following

- (i) Arrears of lease rent Rs. 382.37 lakh (Refer Note 4(b) above)
- (ii) Interim environmental compensation pursuant to an order of the Southern Zonal Bench of the National Green Tribunal Rs. 200 Lakh
- (iii) Assets found to be no longer useful written off during the quarter under review 31st March 2022 Rs. 86.13 Lakh

b) **For the previous periods included in the Results:**

The exceptional items of Rs. 2,075.30 lakh in FY 2020-21 related to the following

- (i) Impairment of assets of Rs. 1,036.56 lakh during 2nd quarter of the year pertaining to the Captive Power Plant (CPP) which had been kept aside for use in conversion to LNG in the earlier year and subsequently found to be no so usable.
- (ii) Additional depreciation/amortization/ impairment of Rs. 1,535.55 lakh arising from evaluation of major fixed assets during the third quarter of the year of which Rs. 899.07 lakh was shown under Exceptional Items and the remaining Rs. 636.48 lakh under Depreciation and amortization expenses in the results for the relevant period.
- (iii) Write-off of assets with carrying value of Rs. 139.67 lakh, found to be no longer useful on the basis of a physical verification of Property, Plant & Equipment during the quarter ended 31-03-2021.

7 **Update on Subsidiary:**

One of the step-down subsidiary of the Parent Company, Amchem Speciality Chemicals UK Limited has informed that it is proposed to implement a restructuring by which the net assets of the said Step-down subsidiary would be transferred to its Parent Company, Amchem Speciality Chemicals Private Limited, Singapore during the FY 2022-23.

8 **Segment reporting:**

Manufacture of petrochemicals is the only operating segment as defined in Ind AS 108: Operating Segments

- 9 These consolidated financial results relate to Manali Petrochemicals Limited (the ' Holding Company') and AMCHEM Speciality Chemicals Private Limited, Singapore, AMCHEM Speciality Chemicals UK Limited , UK and Notedome Limited UK, all are wholly owned subsidiaries of the Company.
- 10 The figures for quarter ended 31st March are the balancing figures between audited annual figures in respect of the full financial year and the published year-to-date figures up to the third quarter of the previous financial year
- 11 Previous period / year figures have been regrouped, wherever necessary.

Place: Chennai
Date: May 24, 2022



For Manali Petrochemicals Limited


Muthukrishnan Ravi
Managing Director