



Life's god with our chemistry

Archean Chemical Industries Limited

February 03, 2024

National Stock Exchange of India Limited
Exchange Plaza
Bandra-Kurla Complex, Bandra (E)
Mumbai-400051
Symbol-ACI

BSE Limited
Listing Operations
Phiroze Jeejeebhoy Towers Dalal Street
Mumbai-400001
Scrip Code- 543657

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on 03rd February 2024.
Reference: SEBI (LODR) Regulations, 2015 ("Listing Regulations")

This is to inform you that the Board of Directors of the Company, at its meeting held on February 03, 2024 (Saturday) inter alia, has considered and approved the following:

Financial Results

Standalone and Consolidated (Unaudited) Financial Results along with the Limited Review report for the third quarter and nine months ended Dec 31, 2023 duly reviewed and recommended by the Audit Committee and approved by the Board in their respective meetings held on February 03, 2024.

A copy of the financial results, limited review report, statement of assets and liabilities and statement of cash flows are enclosed herewith.

Dividend

Declared a second interim dividend of Re 1/- per equity share of Rs.2/- each (50%) for the financial year 2023-2024.

The record date for the purpose of payment of Interim Dividend is fixed as Wednesday, February 14, 2024. The said interim dividend will be paid within 30 days from the date of declaration as per the provisions of Companies Act, 2013 to those shareholders whose names appear in the Register of Members/ Beneficial Owners of the Company as on the Record date i.e February 14, 2024.

The Board Meeting commenced at 03.00 PM and concluded at 5.40 PM.

The above information will also be available on the website of the Company at www.archeanchemicals.com

Kindly take the same on record.

Thanking you

Yours faithfully

For Archean Chemical Industries Limited

S Balasundharam
Company Secretary & Compliance Officer
M. No. A-11114

PKF Sridhar & Santhanam LLP

Chartered Accountants

Independent Auditor's Review Report on review of Interim standalone financial results

To the Board of Directors of Archean Chemical Industries Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results ("Statement") of Archean Chemical Industries Limited ("the Company"), for the quarter and nine months ended 31st December 2023, being submitted by the Company pursuant to Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Obligations").

2. Management's Responsibility

This Statement which is the responsibility of the Company's Management and approved by the 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.

3. Auditor's Responsibility

Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement 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 Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Conclusion

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the aforesaid Indian Accounting Standards ('Ind AS') and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Listing Regulations 33 of the Listing Obligations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm's Registration No. 003990S/S200018

S. Prasana Kumar

S. Prasana Kumar

Partner

Membership No. 212354

Place: Mumbai

Date: 3rd February 2024

UDIN: 24212354BKGYXC4438



Tel +91 44 28112985 to 88 | Fax +91 4428112989 | Email sands@pkfindia.in | www.pkfindia.in |

PKF SRIDHAR & SANTHANAM LLP | KR D Gee Gee Crystal, No.91-92,7th floor, Dr RK Salai Mylapore Chennai 600004 |

Registration NO. WITH ICAI IS 003990S/S200018

Archean Chemical Industries Limited
CIN: L24298TN2009PLC072270
Regd Office: No.2, North Crescent Road, T Nagar, Chennai - 600 017
Statement of Unaudited Standalone Financial Results for the Quarter and Nine months ended 31st December, 2023

(Amount Rs. in Lakhs)

S.No	Particulars	Quarter ended December 31, 2023	Quarter September 30, 2023	Quarter ended December 31, 2022	Nine Months December 31, 2023	Nine Months December 31, 2022	Year ended March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(I)	Revenue from operations	41,262.97	29,046.88	36,492.28	1,04,619.24	1,05,869.11	1,44,106.59
(II)	Other income	1,009.17	1,157.50	766.42	3,287.05	3,559.98	4,417.89
(III)	Total Income (I+II)	42,272.14	30,204.38	37,258.70	1,07,906.29	1,09,429.09	1,48,524.48
(IV)	Expenses						
	Cost of materials consumed	993.64	1,194.35	903.04	3,540.01	3,234.86	4,570.40
	Purchase of stock in trade	-	-	-	-	442.82	442.82
	Changes in inventories of finished goods and work-in-progress	3,701.74	682.39	(1,547.20)	6,018.32	(898.21)	(4,740.18)
	Employee benefits expense	1,821.32	1,919.63	2,643.68	5,774.59	4,767.51	7,202.44
	Finance costs	244.14	200.03	1,941.91	749.72	9,354.17	9,695.89
	Depreciation and amortisation expenses	1,760.23	1,745.56	1,677.75	5,252.43	5,125.32	6,850.89
	Other expenses	20,157.79	15,691.24	18,494.43	51,664.31	54,333.70	73,194.35
	Total Expenses	28,678.86	21,433.20	24,113.61	72,999.38	76,360.17	97,216.61
(V)	Profit before exceptional items and tax (III - IV)	13,593.28	8,771.18	13,145.09	34,906.91	33,068.92	51,307.87
(VI)	Exceptional item	-	-	-	-	-	-
(VII)	Profit before tax (V + VI)	13,593.28	8,771.18	13,145.09	34,906.91	33,068.92	51,307.87
(VIII)	Tax expense						
	(i) Current tax	3,212.32	1,928.29	-	7,982.10	-	2,362.62
	(ii) Deferred tax	161.84	208.20	3,316.61	653.91	8,385.60	10,579.87
	Total tax expenses	3,374.16	2,136.49	3,316.61	8,636.01	8,385.60	12,942.49
(IX)	Profit after tax (VII - VIII)	10,219.12	6,634.69	9,828.48	26,270.90	24,683.32	38,365.38
(X)	Other comprehensive income						
	(i) Items that will not be reclassified to profit or loss						
	- Remeasurement of defined benefit obligations	1.20	(25.81)	9.65	(34.05)	2.00	38.11
	(ii) Income tax relating to above	(0.30)	6.49	(2.43)	8.57	(0.50)	(9.59)
	Total other comprehensive income (i+ii)	0.90	(19.32)	7.22	(25.48)	1.50	28.52
(XI)	Total comprehensive Income (IX + X)	10,220.02	6,615.37	9,835.70	26,245.42	24,684.82	38,393.90
(XII)	Paid-up equity share capital (Face value of Rs. 2 each)	2,467.94	2,461.06	2,461.06	2,467.94	2,461.06	2,461.06
(XIII)	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year						1,40,790.85
(XIV)	Earnings per share of Rs.2 each (Not Annualised)						
	- Basic	8.30	5.39	8.77	21.34	23.24	34.76
	- Diluted	8.29	5.37	8.73	21.32	23.20	34.69

Archean Chemical Industries Limited
CIN: L24298TN2009PLC072270
Regd Office: No.2, North Crescent Road, T Nagar, Chennai - 600 017

Notes to the financial results:

- 1) Archean Chemical Industries Limited was incorporated on July 14, 2009. The Company is into manufacturing of Marine Chemicals. The manufacturing location is in Gujarat.
- 2) The above financial results have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and in conformity with Ind AS, as prescribed under Sec 133 of Companies Act, 2013 read with relevant rules issued thereunder and accounting principles generally accepted in India. These financial results have been reviewed by the Audit Committee, approved by the Board of Directors at their meeting held on February 03, 2024
- 3) The Company is primarily engaged in the business of manufacture of marine chemicals which is considered as one reportable segment and hence, no additional disclosures with respect to segment information have been made under Ind AS 108 - Operating Segments.
- 4) The Company has completed the Initial Public Offer (IPO) of 3,59,28,869 Equity shares of face value of Rs. 2 each at an issue price of Rs. 407 per equity share comprising offer for sale of 1,61,50,000 equity shares by selling shareholders and fresh issue of 1,97,78,869 shares. The equity shares of the Company were listed on National Stock Exchange of India Limited ("NSE") and BSE limited ("BSE") on November 21, 2022. The Net Proceeds from IPO of Rs. 768.32 crores has been utilised towards repayment of Non Convertible Debentures amounting to Rs.644 Crores and the balance was utilised towards general corporate purpose.
- 5) Pursuant to the resolution passed by the Board and resolution passed at the Nomination Remuneration Committee on October 07, 2022 the Company has granted the issuance of 4,91,400 Employee Stock Options (ESOP's) to the eligible employees of the Company in accordance with Archean Chemical -Employee Stock Option Plan 2022. The Vesting Period of ESOP is between 12 months to 60 months. The first lot of shares (3,43,980) were exercised and allotted on November 03, 2023 and December 02, 2023.
- 6) The Company entered into Memorandum of Undertaking (MOU) dated August 10, 2010, with Government of Gujarat (GOG) for the Land lease which expired on July 31, 2018 and the Company had made an application for renewal on December 28, 2017. As per the MOU with GOG, the lease term can be further extended for a duration and conditions as mutually agreed at that time. There is also a GOG circular no 1597/1372/3 dated October 9, 2017 which states that such leases can be extended for a period of thirty years. The Company has also been receiving demand note annually for the revised lease rents as per GoG circular and the company has been making these payments. Management made an assessment of the facts disclosed above and taking into consideration of similar experiences during renewal in group companies confident of obtaining the renewal of land lease after expiry. The Useful life of PPE and ROU assets have been determined by the management considering that the lease would be extended. The entire production facility is located on this leased land.
- 7) The Company has incorporated Neun Infra Private Limited on 3rd October, 2023 and Idealis Chemicals Private Limited on 5th October, 2023, both being Wholly Owned Subsidiary of Archean Chemical Industries Limited. The Companies have not commenced its commercial operations. A Company by name Sicsem Private Limited was also incorporated on 30th December, 2023, wherein 70% of shareholding in this company is held by Neun infra Private Limited and this company also has not commenced its commercial operations.
- 8) The Board of Directors have declared a second interim dividend of Re.1 per equity Share of Rs. 2/- each for the financial year ending March 31, 2024 amounting to Rs.12.34 Crores. The record date for payment of interim dividend is fixed as February 14, 2024.
- 9) The implementation of the Code on Social Security, 2020 is getting postponed. The Company will assess the impact thereof and give effect in the Financial Statements when the date of implementation of the codes and the Rules / Schemes thereunder are notified.
- 10) Previous year / period figures have been regrouped wherever necessary.

For and on behalf of the Board of Directors

Place : Chennai
Date : February 03, 2024

P. Ranjit
Managing Director
DIN : 01952929

PKF Sridhar & Santhanam LLP

Chartered Accountants

Independent Auditor's Review Report on Review of interim consolidated financial results

To the Board of Directors of Archean Chemical Industries Limited

1. We have reviewed the accompanying Unaudited Statement of Consolidated Financial results ("Statement") of Archean Chemical Industries Limited ("the Holding Company") and its subsidiary companies (the holding company and its subsidiary companies together referred to as the "Group"), for the quarter and nine months ended 31st December 2023, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

2. Management's Responsibility

The Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("IndAS-34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, and other accounting principles generally accepted in India.

3. Auditor's Responsibility

Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons 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 and consequently doesn't 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.

We also performed procedures in accordance with the circular No. CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulations, as amended, to the extent applicable.

4. Conclusion

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared, in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Obligations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matters

5. The Statement includes the results of the following subsidiary companies:
Acume Chemicals Private Limited
Idealis Chemicals Private Limited
Neun Infra Private Limited



PKF Sridhar & Santhanam LLP

Chartered Accountants

6. We did not review the interim financial information of the subsidiary included in the consolidated unaudited financial results, whose financial results reflect total revenue of Rs. Nil and Nil, total profit after tax (net) of (Rs.61.12 lakhs) and (Rs.127.22 lakhs), total comprehensive income of (Rs.61.12 lakhs) and (Rs.127.22 lakhs) for the quarter and nine months ended 31st December 2023. These interim financial information / results and other financial information have been reviewed by another auditor, whose report has been furnished to us and our conclusion, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the report of the other auditor and procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of this matter.
7. The Statement includes reflect total revenue of Rs. Nil and Nil and total net profit after tax of (Rs. 5.21 lakhs) and (Rs.5.21 lakhs) for the quarter and nine months ended 31st December 2023, total comprehensive income of (Rs.5.21 lakhs) and (Rs.5.21 lakhs) for the quarter and nine months ended 31st December 2023 respectively, as considered in the consolidated unaudited Financial Results, in respect of 2 subsidiaries (Idealis Chemicals Private Limited and Neun Infra Private Limited) based on its interim financial information which have not been reviewed by its auditors and we have relied upon the interim financial information and explanation given to us by the Holding Company's management. According to the information and explanations given to us by the Management, these interim financial information are not material to the Holding Company.

Our conclusion on the Statement is not modified in respect of the above matter.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No. 003990S/S200018

S. Prasana Kumar

S. Prasana Kumar

Partner

Membership No. 212354

Place: Mumbai

Date: 3rd February 2024

UDIN: 24212354BKGYXD2459



Archean Chemical Industries Limited
CIN: L24298TN2009PLC072270
Regd Office: No.2, North Crescent Road, T Nagar, Chennai - 600 017
Statement of Unaudited Consolidated Financial Results for the Quarter and Nine months ended 31st December, 2023

(Amount Rs. in Lakhs)

S.No	Particulars	Quarter ended December 31, 2023	Quarter ended September 30, 2023	Quarter ended December 31, 2022	Nine Months ended December 31, 2023	Nine Months ended December 31, 2022	Year ended March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(I)	Revenue from operations	41,262.61	29,046.45	36,492.28	1,04,618.44	1,05,869.11	1,44,106.59
(II)	Other income	923.93	1,119.20	747.37	3,136.08	3,493.99	4,327.13
(III)	Total Income (I+II)	42,186.54	30,165.65	37,239.65	1,07,754.52	1,09,363.10	1,48,433.72
(IV)	Expenses						
	Cost of materials consumed	993.64	1,194.35	903.04	3,540.01	3,234.86	4,570.40
	Purchase of stock in trade	-	-	-	-	442.82	442.82
	Changes in inventories of finished goods and work-in-progress	3,701.74	682.39	(1,547.20)	6,018.32	(898.21)	(4,740.18)
	Employee benefits expense	1,821.77	1,920.04	2,645.77	5,775.56	4,769.60	7,204.70
	Finance costs	189.50	185.27	1,941.91	676.02	9,354.18	9,695.90
	Depreciation and amortisation expenses	1,765.99	1,750.30	1,681.76	5,267.06	5,133.68	6,863.34
	Other expenses	20,201.32	15,703.92	18,496.43	51,731.13	54,360.35	73,229.14
	Total Expenses	28,673.96	21,436.27	24,121.71	73,008.10	76,397.28	97,266.12
(V)	Profit before exceptional items and tax (III - IV)	13,512.58	8,729.38	13,117.94	34,746.42	32,965.82	51,167.60
(VI)	Exceptional item	-	-	-	-	-	-
(VII)	Profit before tax (V + VI)	13,512.58	8,729.38	13,117.94	34,746.42	32,965.82	51,167.60
(VIII)	Tax expense						
	(i) Current tax	3,212.67	1,928.29	-	7,982.45	-	2,362.62
	(ii) Deferred tax	147.12	201.03	3,311.87	625.50	8,360.85	10,549.06
	Total tax expenses	3,359.79	2,129.32	3,311.87	8,607.95	8,360.85	12,911.68
(IX)	Profit after tax (VII - VIII)	10,152.79	6,600.06	9,806.07	26,138.47	24,604.97	38,255.92
(X)	Other comprehensive income						
	(i) Items that will not be reclassified to profit or loss						
	- Remeasurement of defined benefit obligations	1.20	(25.81)	9.65	(34.05)	2.00	38.11
	(ii) Income tax relating to above	(0.30)	6.49	(2.43)	8.57	(0.50)	(9.59)
	Total other comprehensive income (i+ii)	0.90	(19.32)	7.22	(25.48)	1.50	28.52
(XI)	Total comprehensive income for the period/year (IX + X)	10,153.69	6,580.74	9,813.29	26,112.99	24,606.47	38,284.44
(XII)	Paid-up equity share capital (Face value of Rs. 2 each)	2,467.94	2,461.06	2,461.06	2,467.94	2,461.06	2,461.06
(XIII)	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year						1,40,640.92
(XIV)	Earnings per share of Rs.2 each (Not Annualised)						
	- Basic	8.24	5.36	8.75	21.23	23.16	34.66
	- Diluted	8.23	5.34	8.71	21.21	23.13	34.59

Archean Chemical Industries Limited
CIN: L24298TN2009PLC072270
Regd Office: No.2, North Crescent Road, T Nagar, Chennai - 600 017

Notes to the financial results:

- 1) Archean Chemical Industries Limited was incorporated on July 14, 2009. The Company is into manufacturing of Marine Chemicals. The manufacturing location is in Gujarat. Acume chemicals private limited, wholly owned subsidiary of the company was incorporated on November 18, 2021. Neun Infra Private Limited and Idealis Chemicals Private Limited, wholly owned subsidiary of the company was incorporated on 3rd October and 5th October, 2023.
- 2) The above financial results of the Company and its wholly owned subsidiary (Group) have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and in conformity with Ind AS, as prescribed under sec 133 of Companies act, 2013 read with relevant rules issued thereunder and accounting principles generally accepted in India. These financial results have been reviewed by the Audit Committee, approved by the Board of Directors at their meeting held on February 03, 2024.
- 3) The Group is primarily engaged in the business of manufacture of marine chemicals which is considered as one reportable segment and hence, no additional disclosures with respect to segment information have been made under Ind AS 108 - Operating Segments.
- 4) The Holding Company has completed the Initial Public Offer (IPO) of 3,59,28,869 Equity shares of face value of Rs. 2 each at an issue price of Rs. 407 per equity share comprising offer for sale of 1,61,50,000 equity shares by selling shareholders and fresh issue of 1,97,78,869 shares. The equity shares of the Company were listed on National Stock Exchange of India Limited ("NSE") and BSE limited ("BSE") on November 21, 2022. The Net Proceeds from IPO of Rs. 768.32 crores has been utilised towards repayment of Non Convertible Debentures amounting to Rs.644 Crores and the balance has been utilised towards general corporate purposes.
- 5) Pursuant to the resolution passed by the Board and resolution passed at the Nomination Remuneration Committee on October 07, 2022 the Holding Company has granted the issuance of 4,91,400 Employee Stock Options (ESOPs) to the eligible employees of the Company in accordance with Archean Chemical -Employee Stock Option Plan 2022. The Vesting Period of ESOP is between 12 months to 60 months. The first lot of shares (3,43,980) were exercised and allotted on November 03, 2023 and December 02, 2023.
- 6) The Holding Company entered into Memorandum of Undertaking (MOU) dated August 10, 2010, with Government of Gujarat (GOG) for the Land lease which expired on July 31, 2018 and the Holding Company had made an application for renewal on December 28, 2017. As per the MOU with GOG, the lease term can be further extended for a duration and conditions as mutually agreed at that time. There is also a GOG circular no 1597/1372/3 dated October 9, 2017 which states that such leases can be extended for a period of thirty years. Management made an assessment of the facts disclosed above and taking into consideration of similar experiences during renewal in group companies confident of obtaining the renewal of land lease after expiry. The Useful life of PPE and ROU assets have been determined by the management considering that the lease would be extended. The entire production facility is located on this leased land.
- 7) The Holding Company has incorporated Neun Infra Private Limited on 3rd October, 2023 and Idealis Chemicals Private Limited on 5th October, 2023, both being Wholly Owned Subsidiary of Archean Chemical Industries Limited. The Companies have not commenced its commercial operations. A Company by name Sicssem Private Limited was also incorporated on 30th December, 2023, wherein 70% of shareholding in this company is held by Neun infra Private Limited and this company also has not commenced its commercial operations.
- 8) The Board of Directors of Holding Company have declared an second interim dividend of Re. 1 per equity Share of Rs. 2/- each for the financial year ending March 31, 2024 amounting to Rs. 12.34 Crores. The record date for payment of interim dividend is fixed as February 14, 2024.
- 9) The implementation of the Code on Social Security, 2020 is getting postponed. The Group will assess the impact thereof and give effect in the Financial Statements when the date of implementation of the codes and the Rules / Schemes thereunder are notified.
- 10) Previous year / period figures have been regrouped wherever necessary.

For and on behalf of the Board of Directors

Place : Chennai
Date : February 03, 2024

P. Ranjit
Managing Director
DIN : 01952929