



Archean Chemical Industries Limited

23rd February 2023

BSE Limited
Listing Operations
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai 400 001
Scrip Code-543657

Dear Sirs,

Sub: Regulation 52(7) of the SEBI (LODR) Regulations 2015 - statement indicating the utilization of issue proceeds of non-convertible debentures for the quarter ended September 2022

Ref: Scrip Code 958408 – Privately placed Debt Securities (NCDs) Rs.739.70 crores allotted in November 2018, Rs. 40.30 crores allotted in May 2019 and Rs.60 crores allotted in July 2019 aggregating to Rs.840 crores - ISIN INE128X07028

Pursuant to Regulation 52 (7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we enclose herewith a statement indicating the utilization of issue proceeds of non-convertible debentures for the quarter ended September 2022.

Note-

This to inform the equity shareholders of the company that as on 30th September 2022 the company's NCDs were listed on the BSE limited (Scrip Code 958408) and subsequently got delisted with effect from 02nd January 2023. The NCDs were repaid and redeemed on 19.11.2022. Since the company was debt listed as on 30th September 2022 the company is required to comply with the SEBI (LODR) Regulations 2015 as far as it is applicable to Debt listed companies. Hence the company is making the above intimation to BSE limited.

Kindly take the same on record.

Thanking you

Yours faithfully
For Archean Chemical Industries Limited

G Arunmozhi
Company Secretary & Compliance Officer
M. No. A-18119

Enc: as above

PKF SRIDHAR & SANTHANAM LLP

Chartered Accountants

Independent Auditor's Report with regard to utilisation of funds for the purpose it was availed

The Board of Directors
Archean Chemical Industries Limited
No.2, North Crescent Road,
T Nagar, Chennai - 600 017

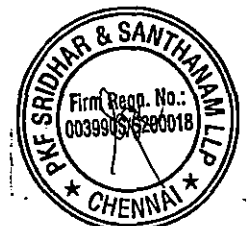
1. This report is issued in accordance with the terms of our engagement letter dated 10th February 2022 and the addendum thereto.
2. In connection with the issue of Tranche I, Tranche II and Tranche III of Redeemable Non-Convertible Debentures on a private placement basis ("the Issue") by ARCHEAN CHEMICAL INDUSTRIES LIMITED ("the Company") having its Registered Office at No. 2, North Crescent Road, T Nagar, Chennai - 600 017, the Company has requested a report from the Statutory Auditors, with regard to the utilisation of funds for the purpose for which it was availed.
3. The accompanying statement contains details of manner of the utilisation of funds from issue of Redeemable Non-Convertible Debentures (NCDs) for the period from 01st July 2022 to 30th September 2022 ("the Statement") is prepared by the Management of the Company, which we have initialled for identification purposes only.

Management's Responsibility

4. The preparation of the accompanying Statement is the responsibility of the Management of the Company. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. Management of the Company is also responsible for ensuring the following:
 - a. Utilisation of the funds for the purpose these have been raised and also for crediting to the bank accounts with IndusInd Bank designated for this purpose.
 - b. Compliance with the terms and conditions specified in the Debenture Trust Deed read along with the Information Memorandum and the addendum as consented by the Debenture Trustee of the Issue and
 - c. Maintenance of proper books of accounts and such other records for this purpose.

Auditor's Responsibility

6. Our responsibility, for the purpose of this report, is to obtain a limited assurance and conclude as to whether the details provided in the Statement is in agreement with the audited books of account and other records for the period from 01st July, 2022 to 30th September, 2022.
7. We conducted our verification of the statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing specified under Section 143(10) of the Companies Act 2013. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.



8. We have complied with the relevant applicable requirements of the Standard on Quality Control ("SQC") 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

9. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence that vary in nature, timing and extent than a reasonable assurance. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we have performed the following procedures in relation to the Statement:

a. Obtained details of utilisation of funds credited to IndusInd Bank designated for the purpose and traced the amount to the books of account.

b. For such funds credited, obtained utilization of proceeds and traced the amount of utilisation of proceeds mentioned in the Statement to the books of account for the period from 01st July, 2022 to 30th September, 2022; and

c. Traced the amount remaining unutilised as per the Statement to the balance in the IndusInd Bank statements as at 30th September, 2022 provided by the Management.

10. Our examination of the utilization of funds received for the purposes specified as stated in the Statement was confined to the verification of supporting documentary evidence for the expenditure incurred. We have not verified the compliance with the terms and conditions of the Debenture Trust deed and related documents/ agreements.

11. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Conclusion

12. Based on our examination as above, and the information and explanations given to us, nothing has come to our attention that causes us to believe that the details provided in the Statement, read with the notes therein are not in agreement with the books of account and other records for the period from 01st July 2022 to 30th September 2022.

Restriction on use

13. This report is addressed to and provided to the Board of Directors of the Company solely for the purpose of further submission to the Debenture trustee and should not be used by any other person or for any other purpose or to be distributed to any other parties. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom this report is shown or into whose hands it may come without our prior consent in writing.

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No. 003990S/S200018

S. Prasana Kumar

S. Prasana Kumar

Partner

Membership No. 212354

UDIN: 23212354864YD

Place of Signature: Chennai

Date: 23/02/2023



Archean Chemical Industries Limited
Statement of utilisation of proceeds from issue of
Redeemable Non-Convertible Debentures (NCDs)

Particulars	Amount (Rs.)
Proceeds credited to IndusInd Bank A/c No.25600700001 (the 'Proceeds Account')	
Proceeds from issue of Tranche I of Redeemable Non-Convertible Debentures (NCD) credited on 22-Nov-18	7,39,70,00,000
Proceeds from issue of Compulsorily Convertible Debentures (CCD) credited on 22-Nov-18	6,72,00,00,000
Proceeds from issue of Tranche II of Redeemable Non-Convertible Debentures (NCD) credited on 15-May-19	40,30,00,000
Proceeds from issue of Tranche II of Redeemable Non-Convertible Debentures (NCD) credited on 26-July-19	69,00,00,000
Total	8,48,72,00,000

Total funds remaining un-utilised is as follows,

Particulars	Amount	Amount
A. Debt Service Reserve Account		
1. Funds available in Bank accounts		633
2. Closing value of mutual funds held as on 30th September, 2022 - HDFC Liquid Fund - Regular Plan - Growth		11,36,88,631
3. Closing value of amount held in Fixed deposits as on 30th September, 2022		14,69,25,000
Subtotal (A)		26,06,14,264
B. Brexino expansion account: Financing of the Expansion project		
1. Funds available in Bank accounts		2,57,630
2. Closing value of mutual funds held as on 30th September, 2022		
(a) ICICI Prudential Overnight fund	0.00	
(b) SBI Liquid fund	-	0.00
3. Closing value of amount held in Fixed deposits as on 30th September, 2022		
Subtotal (B)		2,57,630
Grand total (A) + (B)		26,08,71,894

Amounts utilised from out of the bank accounts identified in the Trust and Retention Account Agreement:

Tranche I funds

Account head as per Trust and Retention Agreement	Designated Bank Account for utilisation	Opening bank balance as at 01st July, 2022 (Note 1)	Actual utilisation from 01st July, 2022 to 30th September, 2022	Investment in Mutual Funds/ Deposits (Note 2)	Additional credits to the account (Note 3)	Proceeds from redemption of mutual funds /Deposits (Note 2)	Closing balance in the bank account as at 30th September, 2022
		(1) Rs.	(2) Rs.	(3) Rs.	(4) Rs.	(5) Rs.	(1) - (2) - (3) + (4) + (5) Rs.
Proceeds - Suez Settlement Account	201002880731	-	-	-	-	-	-
Proceeds - Promoter's Loan Repayment Account	201002880748	-	-	-	-	-	-
Statutory dues		-	-	-	-	-	-
Working capital: Meeting working capital requirements and repayment of Suez Subordinated Loan	201002880762	-	-	-	-	-	-
Debt Service Reserve Account (Note 4)	201002880823	20,84,908	-	26,84,275	-	-	633
Subtotal (1)		20,84,908	-	26,84,275	-	-	633

Tranche II & III funds

Account head as per Trust and Retention Agreement	Designated Bank Account for utilisation	Opening bank balance as at 01st July, 2022 (Note 1)	Actual utilisation from 01st July, 2022 to 30th September, 2022	Investment in Mutual Funds/ Deposits (Note 2)	Additional credits to the account (Note 3)	Proceeds from redemption of mutual funds /Deposits (Note 2)	Closing balance in the bank account as at 30th September, 2022
		(1) Rs.	(2) Rs.	(3) Rs.	(4) Rs.	(5) Rs.	(1) - (2) - (3) + (4) + (5) Rs.
Brexino expansion account: Financing of the Expansion project	201002880830	2,57,630	-	-	-	-	2,57,630
Subtotal (2)		2,57,630	-	-	-	-	2,57,630

Note 1:

The amount represents the bank balance as per the bank statement.

Note 2:

Investment in mutual funds, net of proceeds from redemption of mutual funds represents funds pending utilisation.

Note 3:

Represents credits to the utilisation bank accounts other than those from issue of the NCDs.

Note 4:

According to the management, the balance in the debt service account along with the balance in mutual funds as per the last audited financial statement is in excess of the minimum balance required to be maintained as per the Trust and Retention agreement and the Debenture Trust Deed.

For Archean Chemical Industries Limited

[Signature]
Chief Financial Officer
Place: Chennai
Date: 22.02.2023

