

MANALI PETROCHEMICALS LIMITED

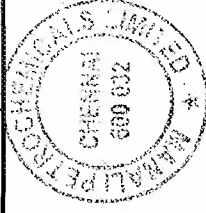
Registered Office: SPIC HOUSE, 88, Mount Road, Guindy, Chennai - 600 032
 Telefax: 044-2235 1098 E-mail: companysecretary@manalipetro.com

Website: www.manalipetro.com

Corporate Identity Number : L24294TN1986PLC013087

S. No	Particulars	Standalone				Year Ended		Consolidated	
		Three Months Ended		Audited #	Year Ended	Year ended	Audited		
		Audited #	Unaudited	Audited #	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	
1	Revenue from Operations (Refer Note no. 5)	16,382.49	17,760.74	18,993.24	70,211.80	66,290.48	81,024.58	76,536.23	
2	Other Income (Refer Note no. 7)	195.14	122.28	59.01	679.52	166.57	1,150.89	298.69	
3	Total Revenues (1+2)	16,577.63	17,883.02	19,052.25	70,891.32	66,457.05	82,175.47	76,834.91	
4	Expenses								
	Cost of materials consumed	12,165.43	12,193.53	10,354.89	47,270.79	40,745.05	55,043.06	48,289.78	
	Changes in inventories of finished goods, work-in-progress	(1,472.72)	(186.56)	844.96	(2,196.39)	1,429.14	(1,994.57)	1,372.92	
	Excise Duty on Sales (Refer Note no. 5)	-	-	-	-	1,757.97	-	1,757.97	
	Power & Fuel	1,783.66	2,029.96	1,604.80	7,861.58	6,160.66	7,931.69	6,219.46	
	Employee benefits expense	667.69	567.58	384.97	2,567.91	2,197.12	4,064.46	3,649.48	
	Finance costs	37.13	45.47	60.61	173.71	281.60	232.47	325.59	
	Depreciation and amortization expense	261.25	267.32	231.98	1,032.44	824.74	1,104.56	892.06	
	Other expenses	1,325.70	1,229.42	1,451.72	5,589.78	4,675.82	6,121.17	5,547.76	
	Total Expenses	14,768.14	16,146.72	14,933.93	62,299.82	58,072.10	72,502.84	68,055.02	
5	Profit Before Exceptional items and Taxes (3-4)	1,809.49	1,736.30	4,118.32	8,591.50	8,384.95	9,672.63	8,779.89	
6	Exceptional items (Refer Note no 6)	1,677.00	-	-	1,677.00	-	1,677.00	-	
7	Profit Before Tax [5+6]	3,486.49	1,736.30	4,118.32	10,268.50	8,384.95	11,349.63	8,779.89	
8	Tax Expense								
	Current tax	1,253.00	427.12	992.49	2,970.00	2,110.00	2,921.10	2,207.73	
	Short/(Excess) provision for tax relating to prior years	178.58	-	-	178.58	-	178.58	-	
	Deferred tax	(38.07)	159.49	462.11	603.11	787.93	614.85	782.22	
	Net tax expense	1,393.51	586.61	1,454.60	3,751.69	2,897.93	3,714.53	2,989.95	
9	Profit for the period (7-8)	2,092.99	1,149.70	2,663.73	6,516.82	5,487.03	7,635.11	5,789.95	
10	Other Comprehensive Income								
	Items that will not be classified to profit or (loss)								
	Changes in Fair Value of Equity Investments	(0.12)	0.03	(0.52)	(0.28)	(0.17)	(0.28)	(0.17)	
	Remeasurement Cost of net defined benefits to employees	28.13	(38.98)	(33.38)	69.31	(33.38)	69.31	(33.38)	
	Items that will be classified to profit or (loss)								
	Changes in Foreign Currency Translation	-	-	-	-	-	(341.07)	1,418.81	
11	Total Comprehensive Income	2,121.00	1,110.75	2,629.83	6,585.85	5,453.48	7,363.07	7,175.21	
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	8,603.47	8,603.47	
13	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting Year								
14	Earnings Per Share of Rs. 5/- each (Basic and Diluted) (Not annualised)	1.23	0.65	1.53	3.83	3.17	4.28	4.17	

refer note 9

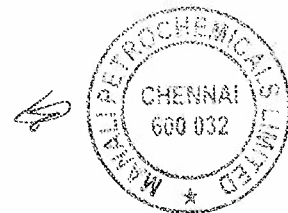
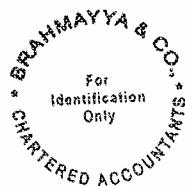


Notes:

I Statement of Assets and Liabilities as at March 31, 2019

(Rs. In lakh)

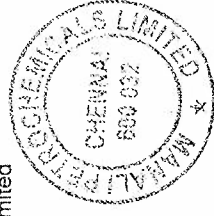
Particulars	Standalone		Consolidated	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
A. ASSETS				
I Non Current Assets				
a) Property, Plant and Equipment	18,283.57	17,124.52	19,716.08	18,586.44
b) Goodwill on Consolidation			8,549.59	8,720.48
c) Capital work-in-progress	634.62	1,221.10	634.62	1,221.10
d) Intangible Assets	-	-	-	-
e) Financial Assets:				
i) Investments	11,043.26	11,044.72	11.08	12.54
ii) Other Financial Assets	15.63	16.14	15.63	16.14
f) Other Non-Current Assets	2,104.23	2,014.97	2,282.82	2,014.97
TOTAL NON-CURRENT ASSETS	32,081.31	31,421.45	31,209.82	30,571.67
II Current Assets				
a) Inventories	9,988.61	5,668.07	11,791.05	7,247.04
b) Financial Assets:				
i) Current Investments	-	5,676.29	-	5,676.29
ii) Trade Receivables	8,185.45	7,646.28	11,412.49	10,110.32
iii) Cash and Cash Equivalents	4,487.65	164.44	5,431.23	647.46
iv) Bank balances other than iii) above	745.49	554.71	745.49	554.71
v) Loans	3,538.40	60.19	3,538.39	60.19
vi) Other Financial Assets	65.41	9.34	65.41	9.34
c) Other Current Assets	1,010.06	678.55	1,166.70	722.49
TOTAL CURRENT ASSETS	28,021.07	20,457.87	34,150.76	25,027.84
TOTAL ASSETS	60,102.38	51,879.32	65,360.57	55,599.51
B. EQUITY AND LIABILITIES				
I Equity				
a) Equity Share Capital	8,603.47	8,603.47	8,603.47	8,603.47
b) Other Equity	35,552.06	30,003.03	36,893.86	30,567.61
TOTAL EQUITY	44,155.53	38,606.50	45,497.33	39,171.08
II Liabilities				
II. A Non-Current Liabilities				
a) Provisions	227.17	131.68	227.17	131.68
b) Deferred Tax Liabilities (net)	2,016.79	1,413.68	2,095.68	1,407.26
c) Other Non-Current Liabilities	449.38	481.50	682.73	964.25
TOTAL NON-CURRENT LIABILITIES	2,693.34	2,026.86	3,005.57	2,503.20
II. B Current Liabilities				
a) Financial Liabilities				
i) Borrowings	1,437.53	1,711.91	3,381.61	2,307.14
ii) Trade Payables				
1. Total outstanding dues of Micro Enterprises and Small Enterprises	10.98	43.87	10.98	33.03
2. Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	7,853.26	4,475.87	9,320.87	6,422.57
iii) Other Financial Liabilities	417.97	420.29	417.97	420.29
b) Provisions	1,600.19	1,616.61	1,600.36	1,616.64
c) Current Tax Liabilities (Net)	-	-	-	-
d) Other Current Liabilities	1,933.58	2,977.41	2,125.89	3,125.57
TOTAL CURRENT LIABILITIES	13,253.51	11,245.96	16,857.68	13,925.25
TOTAL LIABILITIES	15,946.85	13,272.82	19,863.25	16,428.43
TOTAL EQUITY AND LIABILITIES	60,102.38	51,879.32	65,360.58	55,599.51

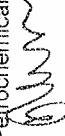


- 2 The above results were reviewed by the Audit Committee and approved by the Board of Directors at the meetings held on May 20, 2019 and have been audited by the Statutory Auditors of the Company.
 - 3 The period of lease relating to the leasehold land on which one of the manufacturing units of the Company is operating expired on June 30, 2017 for which requests for renewal have been filed by the Company with Govt. of Tamilnadu, which is under process. The Management is confident of renewal of the lease as the land has been put to use for the purpose for which it has been allotted and hence no adjustments for impact of non-renewal, (which however are unascertainable at this point in time), are deemed necessary in the Financial Results.
 - 4 The Board of Directors has recommended a dividend of Re. 0.75 (15%) per share on 17,19,99,229 equity shares of Rs. 5/- each for the Financial Year 2018-19, subject to approval of Members at the Annual General Meeting
 - 5 Consequent to the introduction of Goods and Service Tax (GST) w.e.f 01.07.2017, revenue from operations are disclosed net of GST. However till 30.06.2017, Excise Duty recovered from Sale of Excisable Goods was included in Revenue from Operations, Excise Duty remitted was included in expenditure and difference between excise duty on opening and closing inventories was included in Other Expenses. Hence, Revenue from Operations and Excise Duty remitted are not comparable with earlier period figures.
 - 6 During the year the Company received a letter from Thasildhar, Tiruvottiyur, demanding payment of Rs. 19,836 lakh as arrears of lease rent upto 2016 relating to land leased out to Plant II. No details have been provided for the claim in the said letter. During the FY 2013-14, the Company had received a similar claim for Rs. 1,677 lakh as lease arrears upto Fasil 1423 (June 30, 2013) without any details. As a matter of abundant caution, provision was made in the FY 2014-15 for this claim. Thus the demand received during the year as well as received during the earlier year as stated above did not contain the basis on which the claims were raised. While disputing the above claims, the Company has sought details for the same, which have not so far been provided by the Thasildhar, Tiruvottiyur.
- In this regard, the Company has received legal advice that the amounts claimed through the said two notices are misconceived in as much as the demand for alleged arrears of lease rent appears to be baseless, unsubstantiated, erroneous and so is arbitrary and not tenable. Accordingly, taking into account the arbitrariness involved, it is viewed that the said claims are devoid of any merits and so need not be reckoned as any obligation on the Company. The Company would decide on further action in the matter once the details are received.
- 7 Notwithstanding the above claims, the Company continues to make payment of the lease rent at contracted rates as per the agreement entered into with the Government and payments have been made upto 30th June 2020 which have been received, accepted and realized by the Thasildhar. In light of this and also that the latter demand covers the period mentioned in the demand received in FY 2013-14, the earlier provision of Rs. 1,677 lakh made in FY 2014-15 is no longer necessary and hence the same has been reversed as shown under Exceptional Items. However the Company continues to provide for differential lease rent based on the contract terms for the fixation of lease rent and in terms of the extant Government guidelines for such lands.
 - 8 Other income includes a sum of Rs. 161 lakh received during the FY 2018-19 (FY 2017-18 Rs. 125 lakh) towards insurance claim for damages due to cyclone in December 2016.
 - 9 Manufacture of petrochemicals is the only operating segment as defined in Ind AS 108: Operating Segments
 - 10 The figures of 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.

Place: Chennai
Date: May 20, 2019

For Manali Petrochemicals Limited




Muthukrishnan Ravi
Managing Director



Auditors' Report on Quarterly and Year to date Standalone Financial Results of Manali Petrochemicals Limited pursuant to the regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors,
The Manali Petrochemicals Limited
Chennai.

1. We have Audited the accompanying Standalone Financial Results of **Manali Petrochemicals Limited** ("the Company") for the quarter ended 31st March, 2019 and the year to date results for the period from 01st April, 2018 to 31st March 2019 ("the statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended 31st March, 2019 and the corresponding quarter ended in the previous year as reported in the standalone financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the current and previous financial years respectively. Also, the figures up to the end of the third quarter of the respective financial years had only been reviewed and not subjected to an audit.

These quarterly standalone financial results as well as the year to date standalone financial results have been prepared on the basis of the reviewed standalone financials results up to the end of the third quarter and audited annual standalone financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the Companies Indian Accounting Standards (Ind AS), prescribed under section 133 of the companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and



significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, these quarterly standalone financial results as well as the year to date results:

(a) Are presented in accordance with the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

(b) Give a true and fair view of the financial performance including other comprehensive income and other financial information for the quarter ended 31st March, 2019 as well as the year to date results from 01st April, 2018 to 31st March, 2019.

4. Without qualifying our report, attention is invited to

Note No.3 to the financial results, explaining the period of lease relating to the leasehold land on which one of the manufacturing units of the Company is operating has since expired for which requests for renewal have been filed by the Company with Govt. of Tamil Nadu, (the Lessor) and the decision for extension of lease is awaited. Pending this, no adjustments have been made in the financial results for the quarter for any potential impact of non-renewal of land lease which is unascertainable at this point of time.

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



N. Sri Krishna
Partner
Membership No. 026575

Place: Chennai
Date: May 20, 2019

Auditors' Report on Consolidated Year to date Financial Results of Manali Petrochemicals Limited pursuant to the regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors,
The Manali Petrochemicals Limited
Chennai.

1. We have audited the accompanying consolidated Financial Results of **Manali Petrochemicals Limited** ('herein after referred to as 'the Holding Company'), its subsidiaries (the holding and its subsidiaries together referred to as "the group") for the year ended 31st March, 2019 ("the statement"), 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.

The consolidated financial results for the year ended 31st March, 2019 have been prepared on the basis of the audited annual consolidated financial statements as at and for the year ended 31st March, 2019, and the relevant requirements of Regulation 33 of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 and are the responsibility of the company's management and have been approved by the board of directors of the company. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements, as at and for the year ended 31st March, 2019 which were prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS), prescribed under section 133 of the companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as consolidated financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



3. Based on our audit conducted as above and based on consideration of reports of other auditors on separate financial statements of subsidiaries, in our opinion and to the best of our information and according to the explanations given to us, these consolidated financial results for the year ended 31st March 2019:

(a) Include the 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

(b) Have been presented in accordance with the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

(c) Give a true and fair view of the financial performance including other comprehensive income and other financial information for the year ended 31st March, 2019.

4. Without qualifying our report, attention is invited to

Note No.3 to the consolidated financial results, explaining the period of lease relating to the leasehold land on which one of the manufacturing units of the Company is operating has since expired for which requests for renewal have been filed by the Company with Govt. of Tamil Nadu, (the Lessor) and the decision for extension of lease is awaited. Pending this, no adjustments have been made in the financial results for the quarter for any potential impact of non-renewal of land lease which is unascertainable at this point of time.

Other Matters:

5. We did not audit the financial statements and other financial information of three overseas subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs 31,852 Lakhs and net assets of Rs. 26,250 Lakhs as at 31st March, 2019, total revenues (including other income) of Rs. 12,340 Lakhs, net cash flows of Rs. 1,697 Lakhs and net profit of Rs. 1,443 Lakhs for the year ended on that date as considered in the consolidated financial results. The financial statements and other financial information of these subsidiaries have been audited by



the other auditors whose reports have been furnished to us by the management and our report on the consolidated financial results in so far as it relates to the aforesaid subsidiaries is based solely on the reports of other auditors. Our opinion is not modified in respect of this matter.

Place: Chennai
Date: May 20, 2019

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



N. Sri Krishna
Partner
Membership No. 026575