



Manali Petrochemicals Limited

SPIC House, 88, Mount Road, Guindy, Chennai - 600 032
Telefax : 044 - 2235 1098 Website : www.manalipetro.com
CIN : L24294TN1986PLC013087

Ref: MPL / Sectl / BSE & NSE / E-2 & E-3 / 2022
10th February 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: Unaudited Financial Results for the quarter and nine months ended
31st December 2021 -reg

Pursuant to Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Unaudited Stand Alone and Consolidated Financial Results of the Company for the quarter and nine months ended 31st December 2021 approved by the Board of Directors at the meeting held today together with copies of the Limited Review Reports of the Auditors.

We request you to kindly take the above on record.

Thanking you

Yours faithfully
For Manali Petrochemicals Limited

R Kothandaraman
Company Secretary



Encl: 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: companysecretary@manalipetro.com



Independent Auditor's Review Report on Unaudited Standalone Quarterly and Year to Date Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,
Board of Directors
The Manali Petrochemicals Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of the Manali Petrochemicals Limited ("the Company") for the quarter ended 31st December 2021 and year to date results for the period from 01st April 2021 to 31st December 2021 ("the statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (listing Regulations')
2. This statement, which is the responsibility of the 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" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report on the financial statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are 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. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable Indian Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Without qualifying our review conclusion, attention is invited to

Note No.2(a) to the standalone 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 period for any potential impact of non-renewal of land lease. Further the management is confident of obtaining the renewal of lease of land in the due course.

**For Brahmayya & Co.,
Chartered Accountants**

Firm Registration No. 000511S



N Srikrishna

Partner

Membership No. 026575

UDIN: 22026575ABE0HP5303

Place : Chennai

Date : February 10, 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 Nine Months ended 31.12.2021							
S. No	Particulars	Three Months ended			Nine Months ended		[Rs. in Lakh]
		Unaudited					Year ended
		31-Dec-21	30-Sep-21	31-Dec-20	31-Dec-21	31-Dec-20	Audited 31-Mar-21
1	Revenue from Operations	39,949.33	40,366.16	32,584.38	1,08,278.04	58,886.69	92,222.61
2	Other Income	403.05	414.26	426.36	1,150.75	922.95	1,252.79
3	Total Income (1+2)	40,352.38	40,780.42	33,010.74	1,09,428.79	59,809.64	93,475.40
4	Expenses						
	Cost of materials consumed	20,694.19	17,307.14	14,696.46	54,514.01	31,611.41	48,523.53
	Changes in inventories of finished goods, work-in- progress	(725.47)	2,487.38	1,104.33	(1,882.11)	993.47	446.79
	Utility Expenses	2,652.30	2,407.52	1,798.92	7,292.58	4,648.84	6,594.46
	Employee benefits expense	760.18	693.70	1,005.14	2,174.30	2,103.73	2,627.04
	Finance costs (Refer Note No 2b)	190.11	182.98	110.04	553.72	336.33	441.68
	Depreciation and amortization expense (Refer Note No 2b)	548.79	411.50	973.52	1,376.29	1,674.23	2,047.38
	Other expenses	1,580.90	1,334.26	1,380.26	4,165.29	3,239.41	5,011.69
	Total Expenses	25,701.00	24,824.48	21,068.67	68,194.08	44,607.42	65,692.57
5	Profit Before Exceptional items and Taxes (3-4)	14,651.38	15,955.94	11,942.07	41,234.71	15,202.22	27,782.83
6	Exceptional Items (Refer Note No 4)	0.00	0.00	(899.07)	(382.37)	(1935.63)	(2075.30)
7	Profit Before Tax (5+6)	14,651.38	15,955.94	11,043.00	40,852.34	13,266.59	25,707.53
8	Tax Expense						
	Current tax	3799.94	3999.31	3189.34	10467.83	3999.50	7123.52
	Short/(Excess) provision for tax relating to prior years	-	-	-	-	-	(26.42)
	Deferred tax	(52.07)	(4.96)	(524.64)	(91.06)	(787.00)	(649.36)
	Net tax expense	3747.87	3994.35	2,664.70	10,376.77	3,212.50	6,447.74
9	Profit for the period (7-8)	10,903.51	11961.59	8,378.30	30,475.57	10,054.09	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)	(0.11)	0.18	0.03	0.24	0.21
	Remeasurement Cost of net defined benefits	0.26	41.71	2.57	8.49	(37.08)	(52.77)
	Income Tax relating to items that will not be re-classified to Profit or Loss	(0.06)	(10.69)	(0.66)	(2.17)	9.50	13.52
11	Total Comprehensive Income for the period	10,903.61	11992.50	8,380.39	30,481.92	10,026.75	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	8,603.47
13	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting Year						55,031.11
14	Earnings Per Share of Rs. 5/- each (Basic and Diluted) (Not annualised)	6.34	6.95	4.87	17.72	5.85	11.20



Attestation



Notes to Standalone Financial Results:

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

The above results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on February 10, 2022 and have been subjected to a limited review by the Statutory Auditors of the Company.

2 **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. The Auditors have included an Emphasis of Matter para relating to the above in their review Report

b) During FY 2013-14 and FY 2018-19 the Company received notices from Thasildhar, Tiruvottiyur, demanding payment of Rs. 1,677 lakh and Rs. 19,836 lakh respectively as arrears of lease rent relating to the Plant -II lease hold land for which no details were provided. Accordingly, these claims had been disclosed as Claims against the Company not acknowledged as debts in the respective Annual Financial Statements. In this connection, during July 2021, the Company received a revised demand for Rs. 5.18 crore 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. Based on the said demand, the Company has made payment during the quarter and also accounted for 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 in the results for the quarter ended 30-06-2021

Further, based on the details for lease rent fixation received from the Thasildhar, prevailing government guidelines and certain other estimates, the Company in the quarter ended 30-06-2021 has adopted Ind-AS 116 relating the leased land from 1-4-2021, on the assumption that the lease would be renewed as requested for a further period of 30 years from the previous validity. Accordingly, the Right of use asset value and corresponding lease liability of Rs. 3,323.46 lakh have been arrived as at 01.04.2021. Depreciation of Rs. 31.65 lakh and finance cost of Rs. 81.95 lakh have been accounted for the quarter under review and Rs. 94.96 lakh and Rs. 246.98 lakh respectively for the Nine months ended 31.12.2021. 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

3 **Segment reporting:**

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

4 **Exceptional Items:**

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

Please refer to Item 2 (b) above

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

The exceptional items of Rs. 2075.30 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.

5 Previous period / year figures have been regrouped, wherever necessary.

Place: Chennai

Date: February 10, 2022



For Manali Petrochemicals Limited

Karthikeyan Muthukrishnan

Karthikeyan Muthukrishnan
Whole Time Director (Operations)



Independent Auditor's Review Report on Unaudited Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,
Board of Directors,
The Manali Petrochemicals Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Manali Petrochemicals Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended 31st December 2021 and year to date results for the period from 01st April 2021 to 31st December 2021 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. 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 does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

SI No	Name of the Entity	Relationship
I	AMCHEM Speciality Chemicals Private Limited, Singapore	100% Subsidiary
II	AMCHEM Speciality Chemicals UK Limited, UK	Step down Subsidiary
III	Notedome Limited, UK	Step down Subsidiary

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on consideration review reports of other independent Auditor to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. Without qualifying our review conclusion, attention is invited to Note No.2(a) to the consolidated 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 period for any potential impact of non-renewal of land lease. Further the management is confident of obtaining the renewal of lease of land in the due course.
7. We did not review the interim financial information/ results of one subsidiary included in the statement, whose financial information/results reflect total revenue of Rs. 2,059.53 Lakhs and Rs. 6,748.86 Lakhs, total net profit/Loss) after tax of (Rs.80.17 Lakhs) and Rs. 268.80 Lakhs and total comprehensive income/ (Loss) of (Rs.80.17 Lakhs) and Rs. Rs. 268.80 Lakhs for the quarter and period ended 31st December 2021 respectively, as considered in the unaudited consolidated financial results. The financial information/ Financial Results have been reviewed by other independent Auditor whose reports have been furnished to us by the management and our conclusion on the statement, in so far it relates to the amounts and disclosures included in respect of the subsidiary is based

solely on the reports of other Independent Practitioner and procedures performed by us as stated in paragraph 3 above.

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

8. The consolidated unaudited financial results include the interim financial results of two subsidiaries which have not been reviewed/audited by their auditors, whose financial information/results reflect total revenue of Rs. 8,045.92 Lakhs and Rs. 12,052.71 Lakhs, total net profit/(Loss) after tax of Rs. 181.68 Lakhs and (Rs.33.62 Lakhs) and total comprehensive income/ (Loss) of Rs. 181.68 Lakhs and Rs. (Rs.33.62 Lakhs) Lakhs for the quarter and period ended 31st December 2021 respectively, as considered in the unaudited consolidated financial results.

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

For Brahmayya & Co.,

Chartered Accountants

Firm Registration No. 000511S



N Srikrishna

Partner

Membership No. 026575

UDIN: 22026575ABE0YA415A

Place : Chennai

Date : February 10, 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 Nine Months ended 31.12.2021

S. No	Particulars	Three Months ended			Nine Months ended		[Rs. in Lakh]
		Unaudited					Year ended
		31-Dec-21	30-Sep-21	31-Dec-20	31-Dec-21	31-Dec-20	Audited
1	Revenue from Operations	48,938.68	43,604.26	34,936.79	1,25,511.87	65,382.30	1,01,952.29
2	Other Income	477.74	493.17	663.68	1,375.86	1,447.31	1,845.91
3	Total Income (1+2)	49,416.42	44,097.43	35,600.47	1,26,887.73	66,829.61	1,03,798.20
4	Expenses						
	Cost of materials consumed	28,594.57	21,214.87	15,986.35	68,893.72	35,397.05	54,710.16
	Changes in inventories of finished goods, work-in- progress	(698.98)	1,114.89	1,104.47	(2,068.72)	993.61	387.81
	Utility Expenses	2,706.97	2,452.77	1,846.70	7,443.92	4,778.55	6,766.32
	Employee benefits expense	1,539.45	1,423.93	1,724.68	4,352.58	3,524.98	4,599.57
	Finance costs (Refer Note No 2b)	195.15	187.58	115.07	574.89	357.20	470.55
	Depreciation and amortization expense (Refer Note No 2b)	580.08	442.81	990.43	1,471.44	1,723.41	2,101.38
	Other expenses	1,729.54	1,507.55	1,569.81	4,614.10	3,681.56	5,902.81
	Total Expenses	34,646.78	28,344.40	23,337.51	85,281.93	50,456.36	74,938.60
5	Profit Before Exceptional items and Tax (3-4)	14,769.64	15,753.03	12,262.96	41,605.80	16,373.25	28,859.60
6	Exceptional Items (Refer Note No 4)	-	-	(899.07)	(382.37)	(1,935.63)	(2,075.30)
7	Profit Before Tax (5+6)	14,769.64	15,753.03	11,363.89	41,223.43	14,437.62	26,784.30
8	Tax Expense						
	Current tax	3,812.38	4,030.20	3,288.88	10,599.56	4,239.57	7,355.60
	Excess provision for tax relating to prior years written back	-	-	-	-	-	(26.42)
	Deferred tax	(52.06)	(4.96)	(524.64)	(91.06)	(787.00)	(668.26)
	Net tax expense	3,760.32	4,025.24	2,764.24	10,508.50	3,452.57	6,660.92
9	Profit for the period (7-8)	11,009.32	11,727.79	8,599.65	30,714.93	10,985.05	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)	(0.11)	0.18	0.03	0.24	0.21
	Remeasurement Cost of net defined benefits	0.26	41.71	2.57	8.49	(37.08)	(52.77)
	Income Tax relating to items that will not be re-classified to Profit or Loss	(0.06)	(10.69)	(0.66)	(2.17)	9.50	13.52
	Items that will be re-classified to profit or (loss)						
	Changes in Foreign Currency Translation	63.47	(446.81)	841.05	(103.87)	896.54	1,078.45
11	Total Comprehensive Income for the period (9+10)	11,072.89	11,311.89	9,442.79	30,617.41	11,854.25	21,162.79
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
13	Other Equity excluding Revaluation Reserves as at 31st March						59,393.22
14	Earnings Per Share of Rs. 5/- each (Basic and Diluted, Not annualised)	6.40	6.82	5.00	17.86	6.39	11.70



Manali Petrochemicals



Notes to Consolidated Financial Results:

1 **Approval of the financial results:**

The above results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on February 10, 2022 and have been subjected to limited review by the Statutory Auditors of the Company.

2 **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.

The Auditors have included an Emphasis of Matter para relating to the above in their review Report

- b) During FY 2013-14 and FY 2018-19 the Company received notices from Thasildhar, Tiruvottiyur, demanding payment of Rs. 1,677 lakh and Rs. 19,836 lakh respectively as arrears of lease rent relating to the Plant -II lease hold land for which no details were provided. Accordingly, these claims had been disclosed as Claims against the Company not acknowledged as debts in the respective Annual Financial Statements. In this connection, during July 2021, the Company received a revised demand for Rs. 5.18 crore 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. Based on the said demand, the Company has made payment during the quarter and also accounted for 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 in the results for the quarter ended 30-06-2021

Further, based on the details for lease rent fixation received from the Thasildhar, prevailing government guidelines and certain other estimates, the Company in the quarter ended 30-06-2021 has adopted Ind-AS 116 relating the leased land from 1-4-2021, on the assumption that the lease would be renewed as requested for a further period of 30 years from the previous validity. Accordingly, the Right of use asset value and corresponding lease liability of Rs. 3,323.46 lakh have been arrived as at 01.04.2021. Depreciation of Rs. 31.65 lakh and finance cost of Rs. 81.95 lakh have been accounted for the quarter under review and Rs. 94.96 lakh and Rs. 246.98 lakh respectively for the Nine months ended 31.12.2021. 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

3 **Segment reporting:**

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

4 **Exceptional Items:**

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

Please refer to Item 2 (b) above

- 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.

- 5 Previous period / year figures have been regrouped, wherever necessary.

Place: Chennai
Date: February 10, 2022



For Manali Petrochemicals Limited

Karthikeyan Muthukrishnan
Karthikeyan Muthukrishnan
Whole-Time Director (Operations)

