

**Independent Auditor's Review Report on unaudited quarterly financial results of the Tuticorin Alkali Chemicals and Fertilizers Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**The Board of Directors  
Tuticorin Alkali Chemicals and Fertilizers Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Tuticorin Alkali Chemicals and Fertilizers Limited ('the Company') for the quarter and six months ended September 30, 2022 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation').
2. This Statement, which is the responsibility of Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 'Interim Financial Reporting' ('IND AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. 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 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 statement is free of material misstatements. A review 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.
4. Based on our review conducted as stated in paragraph 3 above , nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.



# MSKA & Associates

Chartered Accountants

5. We draw attention to Note 2 to the statement, which states that the Company has reported a net profit of Rs. 3,488.25 lakhs for the six months ended September 30, 2022 and, as of that date, accumulated loss of Rs. 38,408.51 Lakhs which has resulted in negative net worth of the Company. Further, the Company's current liabilities exceeded its current assets by Rs. 9,110.23 Lakhs. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as going concern. However as stated in the note, having regard to projected increase in utilization of production capacity of the Company on planned refurbishing/replacing identified old machineries and based on the cash flow forecasts and financial support from its promoters and group companies, Company will have sufficient funds to meet its liabilities when it falls due. Accordingly, Statements of the Company have been prepared on a going concern basis.

Our conclusion is not modified in respect of this matter.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No.105047W



Geetha Jeyakumar  
Membership No.: 029409  
UDIN: 22029409BBNSKL5800



Place: Chennai  
Date: October 31, 2022

**STATEMENT OF ASSETS AND LIABILITIES**

(Rupees in Lakhs)

S.No	Particulars	As at	As at
		30 September 2022	31 March 2022
<b>A</b>	<b>ASSETS</b>		
1	<b>Non-Current Assets</b>		
a)	Property, Plant and Equipment	6,204.65	5,785.50
b)	Capital work-in-progress	21.68	393.38
c)	Investment property	178.63	181.32
d)	<u>Financial Assets</u>		
i)	Other Financial Assets	17.54	17.54
e)	Other non-current assets	936.97	845.54
f)	Deferred Tax Asset (Net)	-	-
g)	Income tax Asset (Net)	81.80	67.92
	<b>TOTAL NON-CURRENT ASSETS</b>	<b>7,441.27</b>	<b>7,291.20</b>
2	<b>Current assets</b>		
a)	Inventories	8,699.71	5,151.65
b)	Financial assets		
i)	Other Investments	0.05	0.05
ii)	Trade Receivables	10,337.30	908.47
iii)	Cash and Cash equivalents	124.99	87.15
iv)	Bank balances other than (iii) above	1.20	1.20
v)	Other financial assets	18.40	18.11
c)	Other Current assets	108.34	958.02
	<b>TOTAL CURRENT ASSETS</b>	<b>19,584.99</b>	<b>7,124.65</b>
	<b>TOTAL ASSETS</b>	<b>27,026.26</b>	<b>14,415.85</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
a)	Equity share capital	12,186.76	12,186.76
b)	Other Equity	(37,675.65)	(41,163.98)
	<b>Total Equity</b>	<b>(25,488.89)</b>	<b>(28,977.14)</b>
2	<b>Liabilities</b>		
A.	<b>Non-Current Liabilities</b>		
a)	<u>Financial Liabilities</u>		
i)	Trade payables		
	- total outstanding dues to micro enterprises and small enterprises		
	- total outstanding dues creditors other than micro enterprises and small enterprises	23,819.93	17,839.47
	<b>Total Non-Current Liabilities</b>	<b>23,819.93</b>	<b>17,839.47</b>
B.	<b>Current liabilities</b>		
a)	<u>Financial Liabilities</u>		
i)	Borrowings	627.20	629.54
ii)	Trade payables		
	- total outstanding dues to micro enterprises and small enterprises	131.86	340.69
	- total outstanding dues creditors other than micro enterprises and small enterprises	20,373.84	16,417.56
iii)	Other Financial Liabilities	5,106.24	4,884.52
b)	Other Current Liabilities	2,405.38	3,228.39
c)	Provisions	50.70	52.87
	<b>Total Current liabilities</b>	<b>28,695.22</b>	<b>25,553.57</b>
	<b>Total liabilities</b>	<b>52,515.15</b>	<b>43,392.04</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>27,026.26</b>	<b>14,415.85</b>



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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022

(Rs. in Lakhs)

S.No.	Particulars	Quarter ended			Six months ended		Year ended
		30 September 2022	30 June 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income from operations:</b>						
a)	Income from operations	11,947.66	11,147.21	2,761.85	23,094.87	4,447.38	17,451.98
b)	Other Income	35.88	106.13	77.51	144.01	89.72	604.56
	<b>Total Income from operations</b>	<b>11,983.54</b>	<b>11,253.34</b>	<b>2,839.36</b>	<b>23,238.88</b>	<b>4,537.10</b>	<b>18,056.54</b>
2	<b>Expenses:</b>						
a)	Cost of materials consumed	6,410.40	6,296.93	3,107.02	12,701.33	4,412.37	12,016.48
b)	Purchase of Traded Goods		1,722.48		1,722.08		
b)	Changes in inventories of finished goods, work-in-progress	(427.02)	(2,192.35)	(1,463.88)	(2,619.37)	(1,443.33)	(2,311.95)
c)	Employee benefits expense	391.29	552.07	307.76	943.36	586.77	1,314.04
d)	Finance Cost	141.49	46.11	54.46	187.60	94.90	230.18
e)	Depreciation and Amortisation expense	75.93	75.93	81.00	151.86	162.00	303.71
f)	Power and Fuel charges	2,338.72	2,439.48	1,569.46	4,778.12	2,520.51	6,283.11
g)	Other expenses	989.13	874.73	1,017.03	1,863.86	1,739.95	3,618.36
	<b>Total Expenses</b>	<b>9,919.94</b>	<b>9,808.90</b>	<b>4,672.85</b>	<b>19,728.84</b>	<b>8,073.17</b>	<b>21,453.93</b>
3	Profit/(Loss) before taxes (1-2)	2,063.60	1,446.44	(1,833.49)	3,510.04	(3,536.07)	(3,397.39)
4	Tax expense						
5	Profit/(Loss) for the period / year after tax (3-4)	2,063.60	1,446.44	(1,833.49)	3,510.04	(3,536.07)	(3,397.39)
6	Other Comprehensive Income (OCI)	(21.79)		18.22	(21.79)	18.22	9.60
7	<b>Total Comprehensive Income (5+6)</b>	<b>2,041.81</b>	<b>1,446.44</b>	<b>(1,815.27)</b>	<b>3,488.25</b>	<b>(3,517.85)</b>	<b>(3,387.79)</b>
8	Paid-up equity share capital Equity Shares - (Face value - Rs. 10 per share)	12,186.76	12,186.76	12,186.76	12,186.76	12,186.76	12,186.76
e	Earnings per share (Rs.10 each) (not annualised) (except for year ended March):						
	- Basic	1.69	1.19	(1.50)	2.88	(2.90)	(2.79)
	- Diluted	1.69	1.19	(1.50)	2.88	(2.90)	(2.79)
	Weighted average number of shares used in computing earnings per equity share	12,18,35,830	12,18,35,830	12,18,35,830	12,18,35,830	12,18,35,830	12,18,35,830
	See accompanying Notes to Financial Results						



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**TUTICORIN ALKALI CHEMICALS AND FERTILIZERS LIMITED**  
Registered Office : SPIC House, 88, Mount Road, Guindy, Chennai 600 032  
Website : www.tacfert.in ; E mail : info@tacfert.com  
CIN : L24119TN1971PLC006083

**CASHFLOW STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022**

(Rs. in Lakhs)

S.No.	Particulars	Six Months ended	
		30 September 2022	30 September 2021
<b>A</b>	<b>Cash flow from operating activities</b>		
	Profit/(Loss) before tax	3,510.04	(3,536.07)
	Adjustments for:		
	Rent Income	(7.38)	-
	Depreciation expenses	151.86	162.00
	Finance cost	187.60	94.90
	Liabilities no longer payable	(103.20)	-
		<b>228.88</b>	<b>256.90</b>
	Operating Profit/(loss) before working capital changes	<b>3,738.92</b>	<b>(3,279.17)</b>
	Adjustments for changes in working capital		
	Adjustments for (increase)/Decrease in:		
	Inventories	(3,548.06)	(2,217.93)
	Trade Receivables	(9,423.83)	99.38
	Other Non Current Assets	(91.43)	216.54
	Other Financial Assets	(0.29)	(7.42)
	Other Current Assets	549.68	43.14
	Adjustments for Increase/(Decrease) in:		
	Trade payables	9,734.11	4,750.74
	Other Current Liabilities	(747.79)	486.55
	Other Current Financial Liabilities	221.72	174.05
	Current Provisions	(2.12)	15.58
		<b>(3,308.01)</b>	<b>3,560.63</b>
	Cash generated from operations	<b>430.91</b>	<b>281.46</b>
	Income tax paid	(13.88)	2.32
	Net cash flows from operating activities (A)	<b>417.03</b>	<b>283.78</b>
<b>B</b>	<b>Cash flow from Investing activities</b>		
	Purchase of property, plant and equipment including capital advance	(196.62)	(405.52)
	Rent Income	7.38	-
	Net cash used in investing activities (B)	<b>(189.24)</b>	<b>(405.52)</b>
<b>C</b>	<b>Cash flow from Financing activities</b>		
	Proceeds/(Repayment) from current borrowings (net)	(2.34)	191.34
	Interest paid	(187.60)	(94.90)
	Net cash flow (used in)/from financing activities (C)	<b>(189.94)</b>	<b>96.44</b>
	Net (Decrease) / Increase in cash and cash equivalents (A+B+C)	<b>37.84</b>	<b>(25.30)</b>
	Cash and cash equivalents at the beginning of the period	87.15	27.57
	Cash and cash equivalents at the end of the period	<b>124.99</b>	<b>2.27</b>



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CIN: L24119TN1971PLC006083

Notes :

1 The above results were reviewed by the Audit committee and approved by the Board of Directors at their respective meetings, held on 31 October 2022 and has been subjected to limited review by the Statutory auditors of the Company. These unaudited financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standard (Ind AS) 34 on 'Interim Financial Reporting', the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended.

2 The Company made a net profit of Rs.3,488.25 Lakhs for the six months ended September 30, 2022 with significant improvement in operations which was vastly due to repairs and replacement of ageing / defective Plant and Machinery. However, as of that date, the accumulated losses amounting to Rs. 38,408.51 lakhs has fully eroded the Company's net worth. Further, the company's current liabilities exceeded its current assets by Rs. 9,110.23 lakhs.

Management of the company is continuing to improve the production capacity by incurring additional capital expenditure for refurbishing/replacing old identified machineries. The Management of the Company have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial results which indicate that, the Company will have sufficient funds, through its operations, realisation of its assets and funding from its promoters and group companies to meet its liabilities as they fall due for that period.

Based on this continuing support, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

3 During the quarter, the Company's Plant was in operation for 86 days as against 84 days in the previous quarter and for 74 days in the corresponding previous quarter. The Company's plant was shut down on October 08, 2022 till date for routine maintenance activities.

4 The figures for the previous year/periods have been regrouped/reclassified, wherever necessary, to conform to the current year/period's presentation.

Chennai

31 October 2022

By Order of the Board



G. RAMACHANDRAN  
MANAGING DIRECTOR

