



SECY/S.E./L.A./2018-19/Q2

November 12, 2018

BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
MUMBAI – 400 001.

SCRIP CODE : 506854

Dear Sir,

Sub: Outcome of Board Meeting held on 12.11.2018 – reg.
Ref: Regulation 30 of SEBI (LODR) Regulations, 2015.

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We wish to inform that the Board of Directors of the Company at their meeting held today at Chennai, *inter alia* considered and approved the Standalone Unaudited Financial Results for the quarter ended 30th September, 2018.

We are sending herewith the following as required under Regulation 33 of SEBI (LODR), 2015, read with listing requirements:

- (a) Statement of Standalone Unaudited Financial Results for the quarter ended 30th September, 2018 along with a note on Statement of Assets and Liabilities for the half year period ended 30th September 2018.
- (b) Report on Limited Review for the quarter ended 30th September, 2018.

As required under Regulation 47 of SEBI (LODR) Regulations, 2013, the financial results will be published in the newspapers within the stipulated time as per prescribed format.

The meeting of the Board commenced at 2.00 P.M. and concluded at 4.00 P.M.

Thanking you,

Yours faithfully,
for TANFAC INDUSTRIES LIMITED


(N.R. RAVICHANDRAN)
CHIEF FINANCIAL OFFICER &
COMPLIANCE OFFICER

Encl. : As above

TANFAC INDUSTRIES LIMITED
(Joint Sector Company with TIDCO)

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Web : www.tanfac.com

GST : 33AAACT2591A1ZU CIN: L24117TN1972PLC006271

Limited Review Report

To
Board of Directors,
TANFAC INDUSTRIES LIMITED

INTRODUCTION

1. We have reviewed the accompanying Statement of unaudited standalone financial results ('the Statement') of **TANFAC INDUSTRIES LIMITED** ('the Company'), for the quarter and half year ended September 30, 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by SEBI Circular No. CIR/ CFD/ FAC/ 62/ 2016 dated July 5, 2016.

This Statement is the responsibility of the Company's Management and has been approved by its Board of Directors in their meeting held on November 12, 2018. Our responsibility is to issue a report on the Statement based on our review.

SCOPE OF REVIEW

2. We conducted our review 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 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 provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

CONCLUSION

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Accounting Standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder 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 read with SEBI Circular No. CIR/ CFD/ FAC/ 62/ 2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

EMPHASIS OF MATTER PARAGRAPH

4. Attention is invited to Note no. 4 of the financial results, describing company's contention in the matter of Renewable Power Obligation (RPO), which is contested and the company is anticipating a favorable verdict, based on legal advice received by it. Our report is not qualified on the matter.

For and on behalf of
Khimji Kunverji & Co.
Chartered Accountants
(Firm's Registration No: 105146W)



Hasmukh B. Dedhia
Partner (F-33494)
Camp: Chennai
Dated: November 12, 2018



TANFAC INDUSTRIES LIMITED
CIN : L24117TN1972PLC006271
REGD. OFFICE: 14 SIPCOT INDUSTRIAL COMPLEX, CUDDALORE – 607005, TAMIL NADU
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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th September, 2018

SN	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30th Sep 2018	30th Jun 2018	30th Sep 2017	30th Sep 2018	30th Sep 2017	31st Mar 2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Revenue:						
I	a) Revenue from Operations	5,491.66	5,577.03	4,026.74	11,068.69	7,942.80	16,541.76
II	b) Other Income	7.60	0.70	0.79	8.30	1.31	33.28
III	Total Revenue (I + II)	5,499.26	5,577.73	4,027.53	11,076.99	7,944.11	16,575.04
IV	Expenses:						
	a) Cost of Raw Materials consumed	2,519.49	2,415.82	2,240.32	4,935.31	4,018.00	8,547.57
	b) Changes in inventories of Finished Goods, Work in progress and stock in trade	23.92	63.04	(90.67)	86.96	58.47	84.68
	c) Excise Duty on sales	-	-	-	-	354.05	354.05
	d) Employee Benefits Expenses	294.72	308.12	289.02	602.84	573.68	1,147.94
	e) Finance Cost	82.76	109.24	160.98	192.00	306.92	597.76
	f) Depreciation and Amortisation Expenses	120.91	118.60	137.55	239.51	255.16	494.02
	g) Other Expenses	1,287.02	1,254.62	1,071.55	2,541.64	1,926.30	4,369.49
	Total Expenses (IV)	4,328.82	4,269.44	3,808.75	8,598.26	7,492.58	15,595.51
V	Profit Before Exceptional and Extraordinary Items and Tax (III - IV)	1,170.44	1,308.29	218.78	2,478.73	451.53	979.53
VI	Exceptional Item	-	-	-	-	-	-
VII	Profit Before Extraordinary Items and Tax (V - VI)	1,170.44	1,308.29	218.78	2,478.73	451.53	979.53
VIII	Tax Expense						
	i) Current Tax	247.20	100.00	-	347.20	-	198.08
	ii) Deferred Tax	-	-	-	-	-	-
	iii) MAT Credit Entitlement	(247.20)	(100.00)	-	(347.20)	-	(186.34)
IX	Profit / (Loss) for the period (VII - VIII)	1,170.44	1,308.29	218.78	2,478.73	451.53	967.79
X	Other Comprehensive Income (OCI)						
	<i>Items that will not be reclassified subsequently to profit or loss</i>						
	(i) Gain on Valuation of FOREX						-
	(ii) Gain on Fair Value of Investments (net of tax)	8.44	-	4.20	8.44	4.20	
	(iii) Net actuarial Gain loss on employees defined benefit obligation			-			(29.77)
	<i>Items that will be reclassified subsequently to profit or loss</i>						
	Income tax relating to items that will be reclassified subsequently to profit or loss			-			-
	Total of Other Comprehensive Income						(29.77)
XV	Total Comprehensive Income for the period (XIII+XIV)	1,178.88	1,308.29	222.98	2,487.17	455.73	938.02
XVI	Paid-up Equity Share Capital [Face value Rs. 10/-]	997.50	997.50	997.50	997.50	997.50	997.50
XVII	Reserves excluding revaluation reserves						266.03
XVIII	Earnings per share of face value of Rs 10/- each						
	Basic (Rs)	11.73	13.12	2.19	24.85	4.53	9.70
	Diluted(Rs)	11.73	13.12	2.19	24.85	4.53	9.70

Notes:

- The results of the Quarter and half year ended 30th September, 2018 were reviewed by the Audit Committee and approved by the Board of Directors of the company, at its meeting held at Chennai on November 12, 2018. The said results are subjected to limited review by the statutory auditors of the Company.
- The company operates in a single segment i.e, Chemicals in India and all other activities evolve around the same. Hence, there is no reportable primary/ secondary segment in accordance with the requirements of Ind AS 108, 'Operating Segments'.



- 3 Renewable Power Obligation (RPO): The company had filed a petition with Hon'ble Tamil Nadu Electricity Regulatory Commission (TNERC) to declare its 2.3 MW cogeneration plant exempt from RPO obligation. The said petition was dismissed by Hon'ble TNERC on 13th November 2015 relying on an order passed by Hon'ble Appellate Tribunal for Electricity (APTEL) in a different petition which the company believes the facts of the case has no applicability to the factors of its petition and also based on erroneous premise that the company's plant is a fossil-fuel based cogeneration plant. Aggrieved by the order the company filed an appeal with Hon'ble APTEL which has been admitted. The company believes, based on the legal advice, that its appeal would be favourably considered by APTEL and accordingly has not made any provision towards RPO from Financial year 2012-13 to till date (30th Sep 2018) currently estimated at Rs.136.80 lakhs.
- 4 Sales for the quarters and half year ended 30th September, 2018 quarter ended 30th June 2018 and 30th September, 2017 are net of Goods and Service Tax (GST). However, sales till the period ended 30th June 2017 and other comparative periods are gross of Excise Duty. Net Revenue from operations (net of GST / Excise Duty) as applicable are as stated below:

Particulars	Rs in Lakhs					
	Quarter Ended			Half Year Ended		Year Ended
	30th Sep 2018	30th Jun 2018	30th Sep 2017	30th Sep 2018	30th Sep 2017	31st Mar 2018
Revenue from operations (as above)	5,491.66	5,577.03	4,026.74	11,068.69	7,942.80	16,541.76
Less: Excise Duty	-	-	-	-	(354.05)	(354.05)
Net Revenue from operations	5,491.66	5,577.03	4,026.74	11,068.69	7,588.75	16,187.71

- 5 Statement of Assets and Liabilities as on 30th Sep 2018 is given below:

S.No	Particulars	Rs in Lakhs	
		AS AT	AS AT
		30-Sep-18 Unaudited	31-Mar-18 Audited
ASSETS			
1) Non-Current Assets			
a) Property, Plant and Equipment	3,887.01	4,086.66	
b) Capital Work in Progress	82.58	19.46	
c) Investment Property			
d) Other Intangible Assets	2.91	2.91	
e) Intangible Assets under Development			
f) Financial Assets			
i) Investments	85.98	75.41	
ii) Loans			
iii) Other Financial Assets	9.01	22.97	
g) Deferred Tax Assets(Net)			
h) Other Non-Current Assets	123.90	101.44	
Sub total- Non Current Assets	4,191.39	4,308.85	
2) Current Assets			
a) Inventories	1,793.23	1,690.44	
b) Financial Assets			
i) Investments			
ii) Trade Receivables	2,400.98	1,959.28	
iii) Cash & Cash Equivalents	0.87	0.79	
iv) Bank balances (other than iii above)	5.87	3.37	
v) Loans	1.69	3.41	
vi) Other Financial Assets			
c) Current Tax Assets (Net)	862.70	384.81	
d) Other Current Assets			
Sub total- Current Assets	5,065.34	4,042.10	
	9,256.73	8,350.95	
TOTAL ASSETS			
EQUITY & LIABILITIES			
Equity			
a) Equity Share Capital	997.50	997.50	
b) Other Equity	2,719.28	266.04	
Sub total- Shareholders' Funds	3,716.78	1,263.54	
Liabilities			
1) Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	531.32	668.17	
ii) Other Financial Liabilities			
b) Provisions	72.95	60.35	
c) Deferred Tax Liability (Net)			
d) Other non - current liabilities			
Sub total- Non Current liabilities	604.27	728.52	
2) Current Liabilities			
a) Financial Liabilities			
i) Borrowings	1,124.02	3,677.14	
ii) Trade Payables			
- Due to Micro and Small Enterprises	2.98	6.75	
- Due to Others	2,337.81	1,674.97	
iii) Other financial liabilities			
b) Other Current Liabilities	527.19	325.75	
c) Provisions	943.88	674.28	
d) Current Tax Liabilities (Net)			
Sub total -Current Liabilities	4,935.68	6,358.89	
TOTAL EQUITY AND LIABILITIES	9,256.73	8,350.95	

6 From FY 2018-19 IND AS 115 "Revenue from Contracts with Customers" becomes effective as per the Companies (Indian Accounting Standards) Amendment Rules, 2018. The impact thereof on the Financial results of the Company is not significant.

7 Figures for the previous period/year have been rearranged /reclassified wherever necessary, to correspond with current period/year presentation.

Place : Chennai
Date : 12th Nov 2018

M.R. Sivaraman
M R SIVARAMAN
DIRECTOR

