



Ref: TAC/SECL/254

28.06.2021

Department of Corporate Affairs  
BSE Limited  
PJ Towers  
Dalal Street, Fort,  
Mumbai – 400 001.

SCRIP: 506808

Dear Sir,

Sub: Outcome of Board Meeting – Reg

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Please refer our letter dated 25.06.2021, under Regulation 29 of SEBI (LODR) Regulation, 2015. In continuation to above, we wish to inform that at the meeting of the Board of Directors held today (28.06.2021) the Directors have inter-alia amongst other subject approved the following:

1. In terms of Regulation 33 of SEBI (LODR) Regulations, 2015, the Audited Financial Results of the Company for year ended 31<sup>st</sup> March, 2021 along with report of Auditors and declaration regarding unmodified opinion. (enclosed)
2. The Board has appointed KRA & Associates, Practicing Company Secretaries as the Secretarial Auditor for the Financial Year 2021-22.

The Meeting commenced at 3.30 PM and concluded by 05.00 PM.

Kindly take on record of the above.

Yours Faithfully,

For Tuticorin Alkali Chemicals and Fertilizers Limited

S. Rohini Priyadarshini  
Company Secretary

Encl: As above

**Tuticorin Alkali Chemicals and Fertilizers Limited**

88 Mount Road Guindy Chennai 600 032 India Tel +91 44 22352513 Fax +91 44 22352163  
CIN : L24119TN1971PLC006083 Email : info@tacfert.com Website : www.tacfert.in



**MSKA**  
& Associates

Chartered Accountants

Floor 5, Main Building, Guna Complex  
New No. 443 & 445, Old No. 304 & 305, Anna Salai  
Teynampet, Chennai 600018, INDIA  
Tel: + 91 44 6131 0200

**Independent Auditor's Report on Quarterly Financial Results and Year to Date Financial Results  
pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)  
Regulations 2015**

To the Board of Directors of Tuticorin Alkali Chemicals and Fertilizers Limited

Report on the Audit of Financial Results

**Opinion**

We have audited the accompanying financial results of Tuticorin Alkali Chemicals and Fertilizers Limited (hereinafter referred to as 'the Company') for the quarter and year ended March 31, 2021 ('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, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

(i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(ii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.





**& Associates**

Chartered Accountants

#### Material Uncertainty related to Going Concern:

We draw attention to Note 2 to the financial results, which states that the Company has incurred a net loss of Rs. 5,796.93 lakhs (Previous year Rs.2,355.36 Lakhs) during the year ended March 31, 2021 and, as of that date, accumulated loss of Rs.38,508.96 Lakhs (Previous year Rs. 32,712.03 Lakhs) which has eroded the net worth of the Company. Further, the company's current liabilities exceeded its current assets by Rs. 25,589.35 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 increase in projected utilization of production capacity of the Company on planned refurbishing/replacing identified old machineries and financial support from its promoters and group companies, the financial statements of the company have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

#### Emphasis of Matter

We draw attention to the following notes to the financial results:

- a) Note 4 which states that Inventories include an adjustment of Rs. 937 lakhs which is been charged off to Changes in inventories of finished goods and work-in- progress.
- b) Note 3 which states that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no impact which is required to be recognized in the financial results. Accordingly, no adjustments have been made to the financial results.

Our opinion is not modified in respect of these matters.

#### Board of Directors' Responsibilities for the Financial Results

This Statement have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net loss and other comprehensive income in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Company, as aforesaid.





**MSKA & Associates**

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In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

#### **Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.



# MSKA

& Associates

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We communicate with those charged with governance of the Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

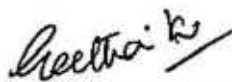
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matters

The Statement include the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

Our Opinion is not modified in respect of the above matter.

For MSKA & Associates  
Chartered Accountants  
ICAI Firm Registration No. 105047W



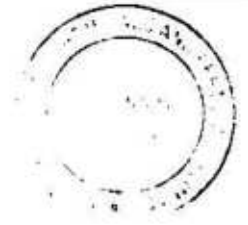
Geetha Jeyakumar  
Partner  
Membership No. 029409  
UDIN: 21029409AAAAFF2144



Place: Chennai  
Date: June 28, 2021

**STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021**

Particulars		(Rs. in Lakhs)				
		Quarter ended			Year ended	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		Audited (Refer Note 8 below)	Unaudited	Audited (Refer Note 8 below)	Audited	Audited
1	<u>Income from operations</u>					
a)	Income from operations	2,176.66	1,454.91	3,340.00	6,594.29	15,664.05
b)	Other Income	105.46	67.80	52.54	196.42	299.70
	<b>Total Income from operations</b>	<b>2,282.12</b>	<b>1,522.71</b>	<b>3,392.54</b>	<b>6,790.71</b>	<b>15,963.75</b>
2	<u>Expenses:</u>					
a)	Cost of materials consumed	1,246.52	960.85	1,596.18	3,643.38	6,333.26
b)	Changes in inventories of finished goods and work-in- progress (Refer Note 4)	1,042.92	(296.53)	(71.53)	986.92	223.27
c)	Employee benefits expense	307.26	286.45	296.31	1,149.86	1,264.91
d)	Finance costs	48.14	50.77	50.41	194.66	178.12
e)	Depreciation and amortisation expense	71.85	83.75	76.86	323.04	337.13
f)	Power & Fuel	1,125.78	893.20	1,438.11	3,675.59	5,993.44
g)	Other expenses	815.43	525.88	902.16	2,617.53	3,996.22
	<b>Total expenses</b>	<b>4,657.90</b>	<b>2,504.37</b>	<b>4,288.50</b>	<b>12,590.98</b>	<b>18,326.35</b>
3	Loss before taxes (1-2)	(2,375.78)	(981.66)	(895.96)	(5,800.27)	(2,362.60)
4	Tax expense	-	-	-	-	-
5	Loss for the period / year after tax (3 - 4)	(2375.78)	(981.66)	(895.96)	(5,800.27)	(2,362.60)
6	Other Comprehensive Income (OCI)	(24.17)	-	(72.62)	3.34	7.24
7	Total Comprehensive Loss (5+6)	(2,399.95)	(981.66)	(968.58)	(5,796.93)	(2,355.36)
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
9	Earnings per share (Rs.10 each) (not annualised (except for year ended March):					
	- Basic	(1.95)	(0.81)	(0.74)	(4.76)	(1.94)
	-Diluted	(1.95)	(0.81)	(0.74)	(4.76)	(1.94)
	Weighted average number of shares used in computing earnings per equity share	121,835,830	121,835,830	121,835,830	121,835,830	121,835,830



**TUTICORIN ALKALI CHEMICALS AND FERTILIZERS LIMITED**  
Registered Office : SPIC House, 8B, Mount Road, Guindy, Chennai 600 032  
Website : www.tacfert.in ; E mail : info@tacfert.com  
CIN: L24119TN1971PLC006083

(Rs. In lakhs)

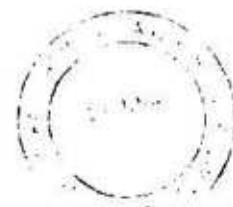
S.No	Particulars	As at 31 March 2021	As at 31 March 2020
<b>A</b>	<b>ASSETS</b>		
1	<b>Non-Current Assets</b>		
a)	Property, Plant and Equipment	5,631.73	5,928.81
b)	Capital work-in-progress	249.95	1.44
c)	Other non-current assets	891.62	891.14
d)	Deferred Tax Asset (Net)	-	-
e)	Income tax Asset (Net)	55.04	52.04
	<b>TOTAL NON-CURRENT ASSETS</b>	<b>6,828.34</b>	<b>6,873.43</b>
2	<b>Current assets</b>		
a)	Inventories	1,805.09	2,199.49
b)	<u>Financial assets</u>		
i)	Other Investments	0.05	0.05
ii)	Trade Receivables	1,316.03	3,714.26
iii)	Cash and Cash equivalents	27.57	131.33
iv)	Bank balances other than (iii) above	15.84	15.84
v)	Other financial assets	11.72	19.93
c)	Other Current assets	775.60	319.68
	<b>TOTAL CURRENT ASSETS</b>	<b>3,951.90</b>	<b>6,400.58</b>
	<b>TOTAL ASSETS</b>	<b>10,780.24</b>	<b>13,274.01</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	(37,776.11)	(31,979.18)
	<b>Total Equity</b>	<b>(25,589.35)</b>	<b>(19,792.42)</b>
2	<b>Current liabilities</b>		
a)	<u>Financial liabilities</u>		
i)	Borrowings	591.24	791.08
ii)	Trade payables		
	- total outstanding dues to micro enterprises and small enterprises	-	-
	- total outstanding dues creditors other than micro enterprises and small enterprises	24,471.52	23,737.15
iii)	Other financial liabilities	4,489.67	4,100.45
b)	Other liabilities	6,751.41	4,366.02
c)	Provisions	65.75	71.73
	<b>Total Current liabilities</b>	<b>36,369.59</b>	<b>33,066.43</b>
	<b>Total liabilities</b>	<b>36,369.59</b>	<b>33,066.43</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>10,780.24</b>	<b>13,274.01</b>



TUTICORIN ALKALI CHEMICALS AND FERTILIZERS LIMITED, CHENNAI  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

(Rs. In Lakhs)

S.No.	Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
A.	Cash flow from operating activities				
	Loss before tax		(5,800.27)		(2,362.60)
	Adjustment for :				
	Depreciation Expenses	323.04		337.13	
	Finance Cost	194.66		178.12	
	Provision for Inventory	-	517.70	14.41	529.66
	Operating Loss before working capital changes		(5,282.57)		(1,832.94)
	Adjustments for changes in working capital				
	Increase/(Decrease) in Trade payables	734.36		(184.08)	
	(Increase)/Decrease in Inventories	394.40		342.09	
	(Increase)/Decrease in Trade Receivables	2,398.23		(1,473.10)	
	(Increase)/Decrease in Other Non Current Assets	(0.48)		(119.31)	
	Increase/(Decrease) in Other Current Liabilities	2,385.39		3,230.84	
	Increase/(Decrease) in Other Current Financial Liabilities	389.22		437.75	
	Increase/(Decrease) in Current Provisions	(2.64)		4.99	
	(Increase)/Decrease in Other Financial Assets	8.22		(1.54)	
	(Increase)/Decrease in Other Current Assets	(455.92)		(76.95)	
	Cash generated from operations		5,850.78		2,160.69
	Income tax received		568.21		327.75
	Net cash flows from operating activities (A)		(3.00)		4.27
			565.21		332.02
B.	Cash flow from Investing activities				
	Purchase of property, plant and equipment including capital advance	(25.96)		(16.97)	
	Adjustment for Capital Work in Progress	(248.51)		(1.44)	
	Net cash flow used in Investing activities (B)		(274.47)		(18.41)
C.	Cash flow from Financing activities				
	Repayment of current Borrowings - (net)	(199.84)		(8.73)	
	Interest paid	(194.66)		(178.12)	
	Net cash flow used in financing activities (C)		(394.50)		(186.85)
	Net (Decrease) /Increase in cash and cash equivalents (A+B+C)		(103.76)		126.76
	Cash and cash equivalents at the beginning of the year		131.33		4.57
	Cash and cash equivalents at the end of the year		27.57		131.33
			(103.76)		126.76
	Notes:				
	1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".				
	2. Cash and cash equivalents comprise				
	Cash on hand		0.17		0.31
	Balances with banks in current accounts		27.40		131.02
	Total cash and bank balances at end of the year		27.57		131.33



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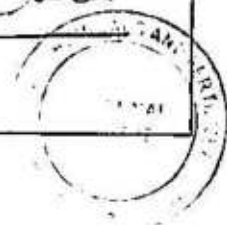
Notes :

- 1 The above results were reviewed by the Audit committee and approved by the Board of Directors at their respective meetings, held on June 28, 2021. The financial results are prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013.
- 2 The financial statements have been prepared on a Going Concern basis which assumes that the Company will continue to be able to meet its liabilities as they fall due for the foreseeable future. The Company incurred a net loss of Rs.5,796.93 Lakhs for the year ended 31st March 2021 (2020: Rs.2,355.36 Lakhs ) with net liabilities of Rs.36,369.59 Lakhs as at 31 March 2021 (2020: Rs.33,066.43 Lakhs). Management of the company is taking steps to improve the utilization of production capacity by incurring additional capital expenditure for refurbishing/replacing identified old machineries. The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds, through its facilities 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 The COVID-19 outbreak has developed rapidly in India and across the globe. Measures taken by the Government to contain the virus, like lockdowns, travel bans and other measures, have affected economic activity and has caused disruption to regular business operations of the company in the form of fractured supply lines and demand decline. Though the COVID 19 related uncertainties persist, since the company's products are used for manufacture of essential commodities, the productions are carried out by the Company by adhering to strict safety measures and Government guidelines.  
The Company has used the principle of prudence in applying judgements, estimates and assumptions including sensitivity analysis and has concluded that there is no impact of COVID 19 on the recoverability of carrying values of assets. Accordingly, no adjustments have been made to the financial statements.  
  
The Company continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations. Thus, the impact of COVID-19 on the Company's financial statements if any, may differ from that estimated as at the date of approval of these financial statements.
- 4 Changes in inventories of finished goods and work-in-progress includes difference in work-in-progress and finished goods for a value of Rs. 937.91 Lakhs on Physical verification for the quarter and year ended March 31, 2021 have been charged off.
- 5 During the quarter, the Company's Plant was in operation for 66 days as against 57 days in the previous quarter and for 220 days for the year ended March 31 2021 as against 324 days for the year ended March 31, 2020.
- 6 As per the order of SEBI dated September 6, 2018, fresh shares were issued to Promoters on September 17, 2018 by conversion of outstanding Redeemable Preference Shares, loans borrowed in earlier years, which resulted in increase of the promoters holding beyond permitted maximum of 75%. As per the same SEBI order dated September 6, 2018 promoters had to dilute their holding to bring down their combined holding to 75% and achieve minimum public shareholding of 25%. Bombay Stock Exchange (BSE) granted the listing approval on August 23, 2019 and trading approval on September 24, 2019.  
  
Company initiated action for dilution as per the prescribed procedure of Offer For Sale (OFS) through BSE Portal on September 22, 2020, within the one year from the date of trading approval of September 24, 2019, and completed by November 4, 2020 to achieve the minimum public shareholding of 25%. Accordingly as on December 31, 2020, the public shareholding has increased to 25%. The company has advised that if there are issues raised by BSE due to delay of dilution of shares, it will be sorted out.
- 7 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.  
  
The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- 8 Figures for the quarter ended 31 March 2021 and 31 March 2020 are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2021 and 31 March 2020 respectively and the published year to date figures for nine months ended 31 December 2020 and 31 December 2019 respectively.
- 9 The Figures for the previous period have been regrouped/reclassified, wherever necessary, to conform to the current period's presentation.

Chennai  
June 28, 2021

By Order of the Board

G. RAMACHANDRAN  
MANAGING DIRECTOR





28<sup>th</sup> June, 2021

To,

Listing Department,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001

**Sub: Declaration with respect to Auditor's Report with unmodified opinion to the Audited Financial Results for the Financial Year Ended 31<sup>st</sup> March, 2021.**

Sir/Madam,

Pursuant to Regulation 33 (3) (d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we do hereby confirm that the Statutory Auditors of the Company M/s. MSKA & Associates, Chartered Accountants (Registration No.105047W) have issued an unmodified opinion in the Annual Audited Financial Results of the Company, for the Financial Year ended 31 March, 2021.

Thanking You.

Yours faithfully,

For Tuticorin Alkali Chemicals and Fertilizers Limited

S. Nandakumar  
Chief Financial Officer

**Tuticorin Alkali Chemicals and Fertilizers Limited**

88 Mount Road Guindy Chennai 600 032 India Tel +91 44 22352513 Fax +91 44 22352163

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