



Life's god with our chemistry

Archean Chemical Industries Limited

26th May 2023

BSE Limited
Listing Operations
Phiroze Jeejeebhoy Towers Dalal Street
Mumbai-400001
Scrip Code- 543657

National Stock Exchange of India Limited
Exchange Plaza
Bandra-Kurla Complex, Bandra (E)
Mumbai-400051
Symbol-ACI

Dear Sir/Madam,

Sub: Outcome of Board Meeting held on 26th May 2023 as per regulation 30 read with Part A of Schedule III of SEBI (LODR) Regulations 2015

In terms of regulation 30 read with Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that at the meeting of the Board of Directors ('**Board**') of Archean Chemical Industries Limited (the "**Company**") held today, i.e 26th May 2023, the Board has transacted, inter alia, the following-

1. Approved the Audited Standalone and Consolidated Financial Results for the quarter and year ended 31st March 2023 as per Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. The aforesaid financial results along with the Auditors Report and Declaration in respect of Audit Reports with unmodified opinion are enclosed as **Annexure – 1**;
2. Recommended a final dividend of Rs 2.50 per equity share of Rs.2/- each (125%) for the financial year ended 31st March, 2023, subject to the approval of shareholders.

The Board Meeting commenced at 05.00 pm and concluded at 07.55 pm.

Kindly take the same on record.

Thanking you

Yours faithfully
For Archean Chemical Industries Limited

G Arunmozhi
Company Secretary & Compliance Officer
M. No. A-18119

PKF SRIDHAR & SANTHANAM LLP

Chartered Accountants

Independent Auditor's Report on the standalone financial results

To the Board of Directors of Archean Chemical Industries Limited

Opinion

1. We have audited the accompanying Standalone Financial Results of **Archean Chemical Industries Limited** (the "Company"), for the quarter and year ended 31 March 2023 ('the Statement'), 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").
2. In our opinion and to the best of our information and according to the explanations given to us, the statement:
 - a) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, in this regard.
 - b) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the company for the quarter and year ended 31st March 2023.

Basis for Opinion

3. We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's and Board of Directors' Responsibilities for the Standalone Financial Results

4. This Statement has been prepared on the basis of the audited standalone financial statements for the year ended March 31, 2023.

The Company's Management and Board of Directors are responsible for the preparation of these Standalone Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the

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preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

5. In preparing the Standalone Financial Results, the Management and Board of Directors are responsible for assessing the Company's ability, 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

6. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results 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 this Standalone Financial Results.
7. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Standalone Financial Results, 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 through a separate report on the complete set of standalone financial statements on whether the entity has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
 - Conclude on the appropriateness of the Management and 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 Company's ability 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 Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

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8. We communicate with those charged with governance 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.
9. 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

10. Attention is drawn to the fact that the figures for the quarter ended 31st March 2023 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of full financial year and the published unaudited year to date figures up to the end of the third quarter of the relevant financial year which were subject to limited review by us. Our opinion is not modified in respect of this matter.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No. 003990S/S200018

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PRASANAKUMAR
Date: 2023.05.26
18:38:19 +05'30'

S.Prasana Kumar

Partner

Membership No. 212354

ICAI UDIN: 23212354BGYDTZ5788

Place: Chennai

Date: 26th May 2023

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Archean Chemical Industries Limited
CIN: L24298TN2009PLC072270
Regd Office: No.2, North Crescent Road, T Nagar, Chennai - 600 017
Statement of Audited Standalone Financial Results for the Quarter and Year ended 31st March, 2023

(Amount Rs. in Lakhs)

S.No	Particulars	Quarter ended March 31, 2023	Quarter ended December 31, 2022	Quarter ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
		Audited	Unaudited	Audited	Audited	Audited
(I)	Revenue from operations	38,237.48	36,492.28	37,260.21	1,44,106.59	1,13,043.71
(II)	Other income	857.91	766.42	379.53	4,417.89	1,264.29
(III)	Total Income (I+II)	39,095.39	37,258.70	37,639.74	1,48,524.48	1,14,308.00
(IV)	Expenses					
	Cost of materials consumed	1,335.54	903.04	1,066.69	4,570.40	4,488.29
	Purchase of stock in trade	-	-	-	442.82	-
	Changes in inventories of finished goods and work-in-progress	(3,841.97)	(1,547.20)	227.57	(4,740.18)	(556.20)
	Employee benefits expense	2,434.93	2,643.68	962.30	7,202.44	3,784.19
	Finance costs	341.72	1,941.91	3,939.57	9,695.89	16,166.86
	Depreciation and amortisation expenses	1,725.57	1,677.75	1,728.78	6,850.89	6,686.19
	Other expenses	18,860.65	18,494.43	18,988.57	73,194.35	58,596.92
	Total Expenses	20,856.44	24,113.61	26,913.48	97,216.61	89,166.25
(V)	Profit before exceptional items and tax (III - IV)	18,238.95	13,145.09	10,726.26	51,307.87	25,141.75
(VI)	Exceptional item	-	-	-	-	-
(VII)	Profit before tax (V + VI)	18,238.95	13,145.09	10,726.26	51,307.87	25,141.75
(VIII)	Tax expense					
	(i) Current tax	2,362.62	-	-	2,362.62	-
	(ii) (Excess) provision for tax relating to prior years	-	-	-	-	(1.55)
	(iii) Deferred tax	2,194.27	3,316.61	2,534.25	10,579.87	6,281.91
	Total tax expenses	4,556.89	3,316.61	2,534.25	12,942.49	6,280.36
(IX)	Profit after tax (VII - VIII)	13,682.06	9,828.48	8,192.01	38,365.38	18,861.39
(X)	Other comprehensive income					
	(i) Items that will not be reclassified to profit or loss					
	- Remeasurement of defined benefit obligations	36.11	9.65	22.12	38.11	13.19
	(ii) Income tax relating to above	(9.09)	(2.43)	(5.57)	(9.59)	(3.32)
	Total other comprehensive income (i+ii)	27.02	7.22	16.55	28.52	9.87
(XI)	Total comprehensive income for the period/year (IX + X)	13,709.08	9,835.70	8,208.56	38,393.90	18,871.26
(XII)	Paid-up equity share capital (Face value of Rs. 2 each)	2,461.06	2,461.06	1,926.67	2,461.06	1,926.67
(XIII)	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				1,40,790.85	24,342.36
(XIV)	Earnings per share of Rs.2 each (Not Annualised)					
	- Basic	11.12	8.77	7.93	34.76	18.26
	- Diluted	11.07	8.73	7.93	34.69	18.26

b. Statement of assets and liabilities		(Amount Rs. in Lakhs)	
S.No	Particulars	As at	As at
		March 31, 2023	March 31, 2022
		Audited	Audited
I	ASSETS		
1	Non-Current Assets		
	(a) Property, plant and equipment	1,06,480.86	1,04,549.48
	(b) Capital work in progress	3,319.70	1,717.20
	(c) Right-of-use assets	3,249.59	4,055.44
	(d) Intangible assets	17.30	14.48
	(e) Intangible assets under development	-	3.50
	(f) Financial assets:		
	(i) Investments	500.00	509.01
	(ii) Loans	1,405.06	1,255.06
	(iii) Other financial assets	2,301.61	202.45
	(g) Other non current assets	681.71	1,477.61
	Total Non-current assets	1,17,955.83	1,13,784.23
2	Current assets		
	(a) Inventories	16,776.37	12,078.75
	(b) Financial assets:		
	(i) Current investments	21,007.73	1,111.95
	(ii) Trade receivables	11,774.34	15,297.34
	(iii) Cash and cash equivalents	527.20	724.68
	(iv) Bank balances other than (iii) above	2,669.99	4,649.90
	(v) Loans	42.82	46.80
	(vi) Other financial assets	1,646.76	1,474.64
	(c) Other current assets	3,184.09	4,000.77
	Total current assets	57,629.30	39,384.83
	TOTAL ASSETS	1,75,585.13	1,53,169.06
II	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	2,461.06	1,926.67
	(b) Other equity	1,40,790.85	24,342.36
	Total equity	1,43,251.91	26,269.03
2	Liabilities		
	Non-Current liabilities		
	(a) Financial liabilities:		
	(i) Borrowings	78.80	84,283.29
	(ii) Lease liabilities	3,571.20	4,548.95
	(iii) Other financial liabilities	-	7,698.94
	(b) Other non-current liabilities	-	11,822.95
	(c) Provisions	4.79	33.83
	(d) Deferred tax liabilities (Net)	11,545.46	956.00
	Total non-current liabilities	15,200.25	1,09,343.96
	Current Liabilities		
	(a) Financial liabilities:		
	(i) Borrowings	2,070.41	205.10
	(ii) Lease liabilities	1,218.12	686.05
	(iii) Trade payables		
	(A) total outstanding dues of micro and small enterprises	1,796.83	242.25
	(B) total outstanding dues of creditors other than above	7,757.19	10,986.97
	(iv) Other financial liabilities	2,045.65	489.53
	(v) Derivative liabilities	-	3.91
	(b) Other current liabilities	1,935.70	4,859.80
	(c) Current Tax Liabilities	283.37	-
	(d) Provisions	25.70	82.46
	Total current liabilities	17,132.97	17,556.07
	Total Liabilities	32,333.22	1,26,900.03
	TOTAL EQUITY AND LIABILITIES	1,75,585.13	1,53,169.06

Archean Chemical Industries Limited
CIN: L24298TN2009PLC072270
Regd Office: No.2, North Crescent Road, T Nagar, Chennai - 600 017

Notes to the financial results:

- 1) Archean Chemical Industries Limited was incorporated on July 14, 2009. The Company is into manufacturing of Marine Chemicals. The manufacturing location is in Gujarat. The above financial results have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and in conformity with Ind AS, as prescribed under sec 133 of Companies act, 2013 read with relevant rules issued thereunder and accounting principles generally accepted in India. These financial results have been reviewed by the Audit Committee, approved by the Board of Directors at its meeting held on May 26, 2023.
- 2) The Company is primarily engaged in the business of manufacture of marine chemicals which is considered as one reportable segment and hence, no additional disclosures with respect to segment information have been made under Ind AS 108 - Operating Segments.
- 3) The Company has completed the Initial Public Offer (IPO) of 3,59,28,869 Equity shares of face value of Rs. 2 each at an issue price of Rs. 407 per equity share comprising offer for sale of 1,61,50,000 equity shares by selling shareholders and fresh issue of 1,97,78,869 shares. The equity shares of the Company were listed on National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange of India limited ("BSE") on November 21,2022. The Net Proceeds from IPO of Rs. 768.32 crores has been utilised towards repayment of Non Convertible Debentures amounting to Rs.644 Crores, Rs. 35.96 Crores towards general corporate purpose and the balance has been placed in Mutual Funds towards general corporate purposes.
- 4) **Statement of Utilisation of IPO Proceeds** Rs.in Crores
- | Objects of Issue | IPO Proceeds | Utilisation up to March 31,2023 |
|---|--------------|---------------------------------|
| Redemption or earlier redemption, in part or full of NCDs issued by our Company | 644 | 644 |
| General Corporate Purpose | 124.32 | 35.96 |
- 5) Post IPO, the Company has redeemed Non - Convertible debentures on November 19,2022. The delisting of redeemed debentures from BSE was completed on January 02,2023.
- 6) Pursuant to resolution of the Board dated October 22, 2022, the Company had converted 672,000 Compulsarily Convertible Debentures into 6,940,715 equity shares of face value of ₹ 2 each for an aggregate consideration of ₹ 672 lakhs, which was paid at the time of allotment of Compulsarily Convertible Debentures.
- 7) Pursuant to the resolution passed by the Board and resolution passed at the Nomination Remuneration Committee on October 07,2022 the Company has granted the issuance of 4,91,400 Employee Stock Options (ESOP's) to the eligible employees of the Company in accordance with Archean Chemical -Employee Stock Option Plan 2022. The Vesting Period of ESOP is between 12 months to 60 months.
- 8) The Company entered into Memorandum of Undertaking (MOU) dated August 10,2010, with Government of Gujarat (GOG) for the Land lease which expired on July 31, 2018 and the Company had made an application for renewal on December 28, 2017. As per the MOU with GOG, the lease term can be further extended for a duration and conditions as mutually agreed at that time. There is also a GOG circular no 1597/1372/3 dated October 9, 2017 which states that such leases can be extended for a period of thirty years. The Company has also been receiving demand note annually for the revised lease rents as per GoG circular and the company has been making these payments. Management made an assessment of the facts disclosed above and taking into consideration of similar experiences during renewal in group company, is confident of obtaining the renewal of land lease after expiry. The Useful life of PPE and ROU assets have been determined by the management considering that the lease would be extended. The entire production facility is located on this leased land.
- 9) The implementation of the Code on Social Security, 2020 is getting postponed. The Company will assess the impact thereof and give effect in the Financial Statements when the date of implementation of the codes and the Rules / Schemes thereunder are notified.
- 10) The board of directors have recommended a final dividend of Rs. 2.50 (125%) per equity share of Rs. 2 each for FY 2022-23 amounting to Rs. 30.76 crores
- 11) Previous year / period figures have been regrouped wherever necessary.

For and on behalf of the Board of Directors

Place : Chennai
Date : May 26, 2023

P. Ranjit
Managing Director
DIN : 01952929

Archean Chemical Industries Limited
Statement of Audited Standalone Cash flows for the Year ended March 31, 2023

(Amount Rs. in Lakhs)

Particulars	For the Year ended March 31, 2023		For the Year ended March 31, 2022	
A. Cash flows from operating activities				
Profit before income tax		51,307.87		25,141.75
Adjustments for :				
Depreciation and amortisation expenses	6,850.89		6,686.19	
Finance costs recognised in profit or loss	9,695.89		16,166.86	
Profit on sale of mutual funds	(377.98)		(125.86)	
Gain on conversion of CCD	(107.17)		-	
Interest income from fixed deposit	(504.35)		(136.24)	
(Profit)/Loss on sale of asset	(5.47)		(2.12)	
Issue of Employee stock options	757.77		-	
Provision no longer required	-		(369.99)	
Provision for doubtful receivables / advances	279.23		-	
Write back of payables	-		(269.02)	
Unrealised net foreign exchange (gain) / loss	(471.13)		876.46	
Operating profit before working capital changes		16,117.68		22,826.28
Movements in working capital :				
(Increase) / decrease in trade receivables	4,093.90		(7,974.55)	
(Increase) / decrease in inventories	(4,697.62)		(1,016.19)	
(Increase) / decrease in other assets	(48.42)		(411.49)	
Increase / (decrease) in trade payables	(1,669.69)		306.96	
Increase / (decrease) in provisions	(85.80)		(11.25)	
Increase / (decrease) in other liabilities	(13,156.79)		(6,152.15)	
		(15,564.42)		(15,258.67)
Cash generated from operations		51,861.13		32,709.36
Income Tax paid		(2,079.25)		-
Net cash generated from operating activities		49,781.88		32,709.36
B. Cash flows from investing activities				
Interest received	504.35		136.24	
Proceeds from sale of Mutual funds	(19,508.79)		3,130.51	
Loan to subsidiary	(150.00)		(1,255.06)	
Investment made to wholly owned subsidiary	-		(500.00)	
Investment in / maturity of bank deposits, net	(55.25)		(4,618.97)	
Acquisition of property, plant and equipment	(9,674.37)		(9,659.04)	
Proceeds from sale of property, plant and equipment	101.60		2.85	
Net cash used in investing activities		(28,782.46)		(12,763.47)
C. Cash flows from financing activities				
Proceeds from Hire purchase loans	-		-	
Fresh Issue of Equity Shares	78,859.96		-	
Proceeds from borrowings	2,099.90		198.14	
Repayment of NCD	(84,000.00)		-	
Repayment of Other borrowings	(439.08)		(1,553.04)	
Repayment towards lease liabilities	(1,459.49)		(1,242.36)	
Interest paid - Others	(16,258.19)		(19,774.36)	
Net cash used in financing activities		(21,196.90)		(22,371.62)
Net increase/ (decrease) in cash and cash equivalents		(197.48)		(2,425.73)
Cash and cash equivalents as at the beginning of the Year		724.68		3,150.41
Cash and Cash equivalents as at the end of the Year		527.20		724.68

For and on behalf of the Board of Directors

Place : Chennai
Date : May 26, 2023

P. Ranjit
Managing Director
DIN : 01952929

PKF SRIDHAR & SANTHANAM LLP

Chartered Accountants

Independent Auditor's Report on the consolidated financial results

To the Board of Directors of Archeon Chemical Industries Limited

Opinion

1. We have audited the accompanying Statement of Consolidated Financial Results of **Archeon Chemical Industries Limited** (the "Holding Company") and its subsidiary (the Company and its subsidiary together referred to as "the Group") for the quarter and year ended 31st March 2023 ('the Statement'), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements / financial information of the subsidiary referred to in "Other Matters" section below, the statement:
 - a) Includes the financial results of the Subsidiary "Acume Chemicals Private Limited"
 - b) is presented in accordance with the requirements of Regulation 33 of the SEBI Listing Regulations, as amended; and
 - c) gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter and year ended 31st March 2023.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in "Other Matter" paragraph below is sufficient and appropriate to provide a basis for our opinion.

Board of Directors' Responsibilities for the Consolidated Financial Results

4. This Statement has been prepared on the basis of the audited consolidated financial statements for the year ended March 31, 2023.

The Holding Company's Board of Directors are responsible for the preparation and presentation of the Consolidated Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud

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PKF SRIDHAR & SANTHANAM LLP

Chartered Accountants

or error, which have been used for the purpose of preparation of the consolidated financial results by the Board of Directors of the Holding company, as aforesaid.

5. In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

6. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole is 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 this Consolidated Financial Results.
7. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Consolidated Financial Results, 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 through a separate report on the complete set of consolidated financial statements on whether the Holding Company and one of its subsidiaries incorporated in India has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such control.
 - 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 Group 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 Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Consolidated Financial Results. For the subsidiary entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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PKF SRIDHAR & SANTHANAM LLP • KRD Gee Gee Crystal • No.91-92 7th Floor • Dr.Radhakrishnan Salai • Mylapore • Chennai • 600004



PKF SRIDHAR & SANTHANAM LLP

Chartered Accountants

8. We communicate with those charged with governance of the Holding Company 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.
9. 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.
10. We also performed procedures in accordance with the circular No CIR/CFD/CMDI/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

11. Attention is drawn to the fact that the figures for the quarter ended 31st March 2023 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of full financial year and the published unaudited year to date figures up to the end of the third quarter of the relevant financial year which were subject to limited review by us. Our report is not modified in respect of this matter.
12. The consolidated Financial Results include the audited Financial Result of subsidiary (Acume Chemicals Private Limited) whose Financial information reflect total assets of Rs.1,988.15 lakhs as at 31st March 2023, total revenue of NIL and NIL and total net loss of Rs. 29.91 lakhs and Rs. 108.26 lakhs for the quarter ended 31st March 2023 and for the period from April 2022 to March 2023 respectively and net cash outflows amounting to Rs. 425.10 lakhs for the year ended 31st March 2023, as considered in the consolidated Financial Results. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph 10 above.
13. The above subsidiary is located in India whose financial statements and other financial information have been prepared in accordance with applicable accounting standards and other accounting principles generally accepted in India which have been audited by other auditors under the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act).Our opinion in so far as it relates to the balances and affairs of such subsidiary is based on the report of other auditors.

Our report is not modified in respect of the above matters.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No. 003990S/S200018

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PRASANAKUMAR
Date: 2023.05.26
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S.Prasana Kumar

Partner

Membership No. 212354

ICAI UDIN: 23212354BGYDUA7534

Place: Chennai

Date: 26th May 2023

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PKF SRIDHAR & SANTHANAM LLP • KRD Gee Gee Crystal • No.91-92 7th Floor • Dr.Radhakrishnan Salai • Mylapore • Chennai • 600004

Archean Chemical Industries Limited
CIN: L24298TN2009PLC072270
Regd Office: No.2, North Crescent Road, T Nagar, Chennai - 600 017
Statement of Audited Consolidated Financial Results for the Quarter and Year ended 31st March, 2023

(Amount Rs. in Lakhs)

S.No	Particulars	Quarter ended March 31, 2023	Quarter ended December 31, 2022	Quarter ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
		Audited	Unaudited	Audited	Audited	Audited
(I)	Revenue from operations	38,237.48	36,492.28	37,260.21	1,44,106.59	1,13,043.71
(II)	Other income	833.14	747.37	354.25	4,327.13	1,239.01
(III)	Total Income (I+II)	39,070.62	37,239.65	37,614.46	1,48,433.72	1,14,282.72
(IV)	Expenses					
	Cost of materials consumed	1,335.54	903.04	1,066.69	4,570.40	4,488.29
	Purchase of stock in trade	-	-	-	442.82	-
	Changes in inventories of finished goods and work-in-progress	(3,841.97)	(1,547.20)	227.57	(4,740.18)	(556.20)
	Employee benefits expense	2,435.10	2,645.77	962.30	7,204.70	3,784.19
	Finance costs	341.72	1,941.91	3,939.59	9,695.90	16,166.88
	Depreciation and amortisation expenses	1,729.66	1,681.76	1,728.78	6,863.34	6,686.19
	Other expenses	18,868.79	18,496.43	18,998.74	73,229.14	58,612.09
	Total Expenses	20,868.84	24,121.71	26,923.67	97,266.12	89,181.44
(V)	Profit before exceptional items and tax (III - IV)	18,201.78	13,117.94	10,690.79	51,167.60	25,101.28
(VI)	Exceptional item	-	-	-	-	-
(VII)	Profit before tax (V + VI)	18,201.78	13,117.94	10,690.79	51,167.60	25,101.28
(VIII)	Tax expense					
	(i) Current tax	2,362.62	-	-	2,362.62	-
	(ii) (Excess) provision for tax relating to prior years	-	-	-	-	(1.55)
	(iii) Deferred tax	2,188.21	3,311.87	2,534.25	10,549.06	6,281.91
	Total tax expenses	4,550.83	3,311.87	2,534.25	12,911.68	6,280.36
(IX)	Profit after tax (VII - VIII)	13,650.95	9,806.07	8,156.54	38,255.92	18,820.92
(X)	Other comprehensive income					
	(i) Items that will not be reclassified to profit or loss					
	- Remeasurement of defined benefit obligations	36.11	9.65	22.12	38.11	13.19
	(ii) Income tax relating to above	(9.09)	(2.43)	(5.57)	(9.59)	(3.32)
	Total other comprehensive income (i+ii)	27.02	7.22	16.55	28.52	9.87
(XI)	Total comprehensive income for the period/year (IX + X)	13,677.97	9,813.29	8,173.09	38,284.44	18,830.79
(XII)	Paid-up equity share capital (Face value of Rs. 2 each)	2,461.06	2,461.06	1,926.67	2,461.06	1,926.67
(XIII)	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				1,40,640.93	24,301.89
(XIV)	Earnings per share of Rs.2 each (Not Annualised)					
	'- Basic	11.09	8.75	7.90	34.66	18.22
	- Diluted	11.05	8.71	7.90	34.59	18.22

CIN: L24298TN2009PLC072270
 Regd Office: No.2, North Crescent Road, T Nagar, Chennai - 600 017
 Statement of Audited Consolidated Financial Results for the Quarter and Year ended 31st March, 2023

b. Statement of assets and liabilities		(Amount Rs. in Lakhs)	
S.No	Particulars	As at	As at
		March 31, 2023	March 31, 2022
		Audited	Audited
I	ASSETS		
1	Non-Current Assets		
	(a) Property, plant and equipment	1,06,488.65	1,04,549.48
	(b) Capital work in progress	3,617.91	1,719.64
	(c) Right-of-use assets	4,502.35	4,055.44
	(d) Intangible assets	17.30	14.48
	(e) Intangible assets under development	-	3.50
	(f) Financial assets:		
	(i) Investments	-	9.01
	(ii) Loans	-	-
	(iii) Other financial assets	2,193.62	179.71
	(g) Deferred tax assets (Net)	30.81	-
	(h) Other non current assets	989.98	2,735.10
	Total Non-current assets	1,17,840.62	1,13,266.36
2	Current assets		
	(a) Inventories	16,776.37	12,078.75
	(b) Financial assets:		
	(i) Current investments	21,007.73	1,111.95
	(ii) Trade receivables	11,774.33	15,297.34
	(iii) Cash and cash equivalents	597.26	1,219.84
	(iv) Bank balances other than (iii) above	2,669.99	4,649.90
	(v) Loans	42.84	46.80
	(vi) Other financial assets	1,631.63	1,459.56
	(c) Other current assets	3,202.57	4,000.77
	Total current assets	57,702.72	39,864.91
	TOTAL ASSETS	1,75,543.34	1,53,131.27
II	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	2,461.06	1,926.67
	(b) Other equity	1,40,640.93	24,301.89
	Total equity	1,43,101.99	26,228.56
2	Liabilities		
	Non-Current liabilities		
	(a) Financial liabilities:		
	(i) Borrowings	78.80	84,283.29
	(ii) Lease liabilities	3,571.20	4,548.95
	(iii) Other financial liabilities	-	7,698.94
	(b) Other non-current liabilities	-	11,822.95
	(c) Provisions	4.79	33.83
	(d) Deferred tax liabilities (Net)	11,545.46	956.00
	Total non-current liabilities	15,200.25	1,09,343.96
	Current Liabilities		
	(a) Financial liabilities:		
	(i) Borrowings	2,070.41	205.10
	(ii) Lease liabilities	1,218.12	686.05
	(iii) Trade payables		
	(A) total outstanding dues of micro and small enterprises	1,796.83	242.25
	(B) total outstanding dues of creditors other than above	7,758.66	10,987.07
	(iv) Other financial liabilities	2,144.93	489.53
	(v) Derivative liabilities	-	3.91
	(b) Other current liabilities	1,943.08	4,862.38
	(c) Current tax liabilities (Net)	283.37	-
	(d) Provisions	25.70	82.46
	Total current liabilities	17,241.10	17,558.75
	Total Liabilities	32,441.35	1,26,902.71
	TOTAL EQUITY AND LIABILITIES	1,75,543.34	1,53,131.27

Archean Chemical Industries Limited
CIN: L24298TN2009PLC072270
Regd Office: No.2, North Crescent Road, T Nagar, Chennai - 600 017

Notes to the financial results:

- 1) Archean Chemical Industries Limited was incorporated on July 14, 2009. The Company is into manufacturing of Marine Chemicals. The manufacturing location is in Gujarat. Acume chemicals private limited, wholly owned subsidiary of the company incorporated on November 18, 2021
- 2) The above financial results of the Company and its wholly owned subsidiary (Group) have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and in conformity with Ind AS, as prescribed under sec 133 of Companies act, 2013 read with relevant rules issued thereunder and accounting principles generally accepted in India. These financial results have been reviewed by the Audit Committee, approved by the Board of Directors at its meeting held on May 26, 2023.
- 3) The Group is primarily engaged in the business of manufacture of marine chemicals which is considered as one reportable segment and hence, no additional disclosures with respect to segment information have been made under Ind AS 108 - Operating Segments.
- 4) The Holding Company has completed the Initial Public Offer (IPO) of 3,59,28,869 Equity shares of face value of Rs. 2 each at an issue price of Rs. 407 per equity share comprising offer for sale of 1,61,50,000 equity shares by selling shareholders and fresh issue of 1,97,78,869 shares. The equity shares of the Company were listed on National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange of India limited ("BSE") on November 21,2022.The Net Proceeds from IPO of Rs. 768.32 crores has been utilised towards repayment of Non Convertible Debentures amounting to Rs.644 Crores, Rs.35.96 Crores towards general corporate purposes and the balance has been placed in Mutual Funds towards general corporate purposes.
- | Statement of Utilisation of IPO Proceeds | | Rs.in Crores |
|---|--------------|---------------------------------|
| Objects of Issue | IPO Proceeds | Utilisation up to March 31,2023 |
| Redemption or earlier redemption, in part or full of NCDs issued by our Company | 644.00 | 644.00 |
| General Corporate Purpose | 124.32 | 35.96 |
- 5) Post IPO, the Holding Company has redeemed Non - Convertible debentures on November 19, 2022. The delisting of redeemed debentures from BSE was completed on January 02,2023.
- 6) Pursuant to resolution of the Board dated October 22, 2022, the Holding Company had converted 672,000 CCDs into 6,940,715 equity shares of face value of ₹ 2 each for an aggregate consideration of ₹ 672.0 lakhs, which was paid at the time of allotment of CCDs.
- 7) Pursuant to the resolution passed by the Board and resolution passed at the Nomination Remuneration Committee on October 07,2022 the Holding Company has granted the issuance of 4,91,400 Employee Stock Options (ESOPs) to the eligible employees of the Company in accordance with Archean Chemical -Employee Stock Option Plan 2022. The Vesting Period of ESOP is between 12 months to 60 months.
- 8) The Holding Company entered into Memorandum of Undertaking (MOU) dated August 10,2010, with Government of Gujarat (GOG) for the Land lease which expired on July 31, 2018 and the Holding Company had made an application for renewal on December 28, 2017. As per the MOU with GOG, the lease term can be further extended for a duration and conditions as mutually agreed at that time. There is also a GOG circular no 1597/1372/ख dated October 9, 2017 which states that such leases can be extended for a period of thirty years.
- 9) The Holding Company has also been receiving demand note annually for the revised lease rents as per GoG circular and the company has been making these payments. Management made an assessment of the facts disclosed above and taking into consideration of similar experiences during renewal in group company, is confident of obtaining the renewal of land lease after expiry. The Useful life of PPE and ROU assets have been determined by the management considering that the lease would be extended. The entire production facility is located on this leased land.
- 10) The implementation of the Code on Social Security, 2020 is getting postponed. The Group will assess the impact thereof and give effect in the Financial Statements when the date of implementation of the codes and the Rules / Schemes thereunder are notified.
- 11) The board of directors have recommended a final dividend of Rs. 2.50 (125%) per equity share of Rs. 2 each for FY 2022-23 amounting to Rs. 30.76 crores
- 11) Previous year / period figures have been regrouped wherever necessary.

For and on behalf of the Board of Directors

Place : Chennai
Date : May 26, 2023

P. Ranjit
Managing Director
DIN : 01952929

Archean Chemical Industries Limited
Statement of Audited Consolidated Cash flows for the year ended March 31, 2023

(Amount Rs. in Lakhs)

Particulars	For the Year ended March 31, 2023		For the Year ended March 31, 2022	
A. Cash flows from operating activities				
Profit before income tax		51,167.60		25,101.28
Adjustments for :				
Depreciation and amortisation expenses	6,863.34		6,686.19	
Finance costs recognised in profit or loss	9,695.90		16,166.88	
Profit on sale of mutual funds	(377.98)		(125.86)	
Gain on conversion of CCD	(107.17)		-	
Interest income from fixed deposit	(413.59)		(136.24)	
(Profit)/Loss on sale of asset	(5.47)		(2.12)	
Issue of Employee stock options	757.77		-	
Provision for doubtful receivables / advances	279.23		(369.99)	
Write back of payables	-		(269.02)	
Unrealised net foreign exchange (gain) / loss	(471.13)		876.46	
Operating profit before working capital changes		16,220.90		22,826.30
Movements in working capital :				
(Increase) / decrease in trade receivables	4,093.91		(7,974.55)	
(Increase) / decrease in inventories	(4,697.62)		(1,016.19)	
(Increase) / decrease in other assets	(289.84)		(1,631.16)	
Increase / (decrease) in trade payables	(1,668.32)		307.06	
Increase / (decrease) in provisions	(85.80)		(11.25)	
Increase / (decrease) in other liabilities	(13,052.70)		(6,149.57)	
		(15,700.37)		(16,475.66)
Cash generated from operations		51,688.13		31,451.92
Income Tax paid		(2,079.25)		-
Net cash generated from operating activities		49,608.88		31,451.92
B. Cash flows from investing activities				
Interest received	413.59		136.24	
Proceeds from sale of Mutual funds	(19,508.79)		3,130.51	
Investment in / maturity of bank deposits, net	(55.25)		(4,618.97)	
Acquisition of property, plant and equipment	(9,985.70)		(9,661.48)	
Proceeds from sale of property, plant and equipment	101.60		2.85	
Net cash used in investing activities		(29,034.55)		(11,010.85)
C. Cash flows from financing activities				
Fresh Issue of Equity Shares	78,859.96		-	
Proceeds from borrowings	2,099.90		198.14	
Repayment of NCDs	(84,000.00)		-	
Repayment of Other borrowings	(439.08)		(1,553.04)	
Repayment towards lease liabilities	(1,459.49)		(1,242.36)	
Interest paid - Others	(16,258.20)		(19,774.38)	
Net cash used in financing activities		(21,196.91)		(22,371.64)
Net increase/ (decrease) in cash and cash equivalents		(622.58)		(1,930.57)
Cash and cash equivalents as at the beginning of the Year		1,219.84		3,150.41
Cash and Cash equivalents as at the end of the Year		597.26		1,219.84

For and on behalf of the Board of Directors

Place : Chennai
Date : May 26, 2023

P. Ranjit
Managing Director
DIN : 01952929



Archean Chemical Industries Limited

26th May 2023

BSE Limited
Listing Operations
Phiroze Jeejeebhoy Towers Dalal Street
Mumbai-400001
Scrip Code- 543657

National Stock Exchange of India Limited
Exchange Plaza
Bandra-Kurla Complex, Bandra (E)
Mumbai-400051
Symbol-ACI

Dear Sir/Madam,

Sub: Declaration on Audit Report with unmodified opinion pursuant to Regulation 33(3)(d) of the SEBI (LODR), Regulations, 2015

In terms of the provisions of Regulation 33(3) (d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm and declare that M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants (FRN: 003990S/S200018), the Statutory Auditors of the Company, have issued Audit Reports with unmodified opinion on the Audited Standalone & Consolidated Financial Results of the Company for the financial year ended March 31, 2023.

You are requested to take the same on record

Thanking you

Yours faithfully
For Archean Chemical Industries Limited

R Raghunathan
Chief Financial Officer