

# **paccl** Punjab Alkalies & Chemicals Limited

Regd. Office : S.C.O. 125-127, Sector 17-B, Post Box No.152, Chandigarh - 160 017

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Website : www.punjabalkalies.com

QIN: L24118011570PL000007



PACL:SEC: 2016: 157

E-MAIL

26.05.2016

The Deputy General Manager,  
Corporate Relationship Department,  
Bombay Stock Exchange Limited,  
1st Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street, Fort,  
**MUMBAI-400 001.**

**Sub.: Audited Financial Results for the year ended 31<sup>st</sup> March, 2016  
alongwith Auditors Report and Form A.**

Dear Sir,

Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the "Audited Financial Results for the year ended 31<sup>st</sup> March, 2016" alongwith Auditor's Report thereon and the related Form A.

Please acknowledge receipt.

Thanking you,

Yours faithfully,  
For PUNJAB ALKALIES & CHEMICALS LIMITED

COMPANY SECRETARY &  
SR. GEN. MANAGER (CO. AFFAIRS)

Encl: as above.

**PUNJAB ALKALIES & CHEMICALS LIMITED**

Regd. Office: SCO 125-127, Sector 17-B,  
CHANDIGARH 160 017

**Audited Financial Results 2015-16**

(Rs. In lacs)

PART-I						
Sr. No.	Particulars	Quarter Ended 31.3.2016 (Audited)	Quarter Ended 31.12.2015 (Unaudited)	Quarter Ended 31.3.2015 (Unaudited)	Financial Year Ended 31.3.2016 (Audited)	Financial Year Ended 31.3.2015 (Audited)
1	Income from operations					
	a) Net Sales/Income from Operations (Net of excise duty)	6364.92	5771.55	5804.16	24113.36	26651.93
	b) Other Operating Income	303.39	65.11	52.49	476.00	199.54
	Total Income from Operations	6668.31	5836.66	5856.65	24589.36	26851.47
2	Expenses					
	a) Cost of materials consumed					
	i) Salt	888.51	971.17	1094.84	3991.84	4779.18
	ii) Power	4297.20	3717.55	3708.19	16091.76	17245.07
	iii) Others	150.81	191.48	187.27	690.25	778.25
	Total	5336.52	4880.20	4990.30	20773.85	22802.50
	b) Purchase of Stock-in-Trade	-	-	-	-	-
	c) (Increase)/Decrease in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(51.47)	(16.61)	(15.40)	(66.55)	(8.80)
	d) Employees benefits expense	571.57	608.70	611.16	2348.27	2496.45
	e) Depreciation and amortisation expenses	180.51	185.67	190.61	744.01	773.79
	f) Other expenses	579.56	357.20	511.39	1807.52	2023.78
	Total Expenses	6616.69	6015.16	6288.06	25607.10	28087.72
3	Profit/(Loss) from Operations before other Income, Finance Cost and Exceptional Items (1-2)	51.62	(178.50)	(431.41)	(1017.74)	(1236.25)
4	Other Income	27.93	12.96	6.43	57.37	34.07
5	Profit/(Loss) from Ordinary Activities before Finance Cost and Exceptional Items (3±4)	79.55	(165.54)	(424.98)	(960.37)	(1202.18)
6	Finance Costs/Interest	97.78	286.41	43.09	464.47	90.83
7	Profit/(Loss) from Ordinary Activities after Finance Cost but before Exceptional Items (5±6)	(18.23)	(451.95)	(468.07)	(1424.84)	(1293.01)
8	Exceptional Items	-	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before tax (7±8)	(18.23)	(451.95)	(468.07)	(1424.84)	(1293.01)
10	Tax Expenses					
	a) Provision for Taxation - MAT	-	-	-	-	-
	b) Deferred Tax	-	-	-	-	-
	Total	-	-	-	-	-
11	Net Profit/(Loss) from Ordinary Activities after tax (9±10)	(18.23)	(451.95)	(468.07)	(1424.84)	(1293.01)
12	Extraordinary Items (Net of tax expense)	-	-	-	-	-
13	Net Profit/(Loss) for the period after tax (11±12)	(18.23)	(451.95)	(468.07)	(1424.84)	(1293.01)
14	Paid up Equity Share Capital (Face Value Rs.10/-)	2049.96	2049.96	2049.96	2049.96	2049.96
15	Reserves excluding Revaluation Reserves	-	-	-	(3779.95)	(2352.13)
16	(i) Earnings/(Loss) per Share (before Extraordinary Items) (Rs.) (Not Annualised)					
	a) Basic	(0.09)	(2.21)	(2.29)	(6.96)	(6.31)
	b) Diluted	(0.09)	(2.21)	(2.29)	(6.96)	(6.31)
	(ii) Earnings/(Loss) per Share (after Extraordinary Items) (Rs.) (Not Annualised)					
	a) Basic	(0.09)	(2.21)	(2.29)	(6.96)	(6.31)
	b) Diluted	(0.09)	(2.21)	(2.29)	(6.96)	(6.31)

PART-II						
Sr. No.	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Financial Year Ended	Financial Year Ended
A	PARTICULARS OF SHAREHOLDING					
1	Public Shareholding					
	- Number of Shares	11445550	11445550	11445550	11445550	11445550
	- Percentage of Shareholding	55.74%	55.74%	55.74%	55.74%	55.74%
2	Promoters and Promoter Group Shareholding					
	a) Pledged/Encumbered					
	- Number of Shares	-	-	-	-	-
	- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	-	-	-	-	-
	- Percentage of Shares (as a % of the total Share Capital of the Company)	-	-	-	-	-
	b) Non-encumbered					
	- Number of Shares	9090000	9090000	9090000	9090000	9090000
	- Percentage of Shares (as a % of the total Shareholding of Promoter and Promoter Group)	100%	100%	100%	100%	100%
	- Percentage of Shares (as a % of the total Share Capital of the Company)	44.26%	44.26%	44.26%	44.26%	44.26%
B	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter				Nil	
	Received during the quarter				Nil	
	Disposed of during the quarter				Nil	
	Remaining unresolved at the end of the quarter				Nil	

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## Statement of Assets and Liabilities

(Rs. in Lacs)

Sr. No.	Particulars	Financial Year Ended 31.3.2016 (Audited)	Financial Year Ended 31.3.2015 (Audited)
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
1	Shareholders' Funds		
	a) Share Capital	2049.96	2049.96
	b) Reserves and Surplus	3303.48	5061.43
	c) Money received against Share Warrants	-	-
	Sub Total: Shareholders' funds	5353.44	7111.39
2	Share Application Money Pending Allotment	-	-
3	Non Current Liabilities		
	a) Long term borrowings	4285.47	-
	b) Deferred tax liabilities (net)	-	-
	c) Other long term liabilities	-	-
	d) Long term provisions	1036.28	1070.16
	Sub Total: Non Current Liabilities	5321.75	1070.16
4	Current Liabilities		
	a) Short term borrowings	149.21	695.28
	b) Trade payables	2922.35	2876.02
	c) Other current liabilities	5495.50	6226.09
	d) Short term provisions	15.05	13.79
	Sub Total: Current Liabilities	8582.11	9811.18
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>19257.30</b>	<b>17992.73</b>
<b>B</b>	<b>ASSETS</b>		
1	Non Current Assets		
	a) Fixed Assets	11600.79	12290.85
	b) Non current investments	-	-
	c) Deferred tax assets (net)	1028.96	1028.96
	d) Long term loans and advances	319.67	315.29
	3) Other non current assets	740.09	710.00
	Sub Total: Non Current Assets	13689.51	14345.10
2	Current Assets		
	a) Fixed investments	-	-
	b) Inventories	1088.77	888.94
	c) Trade receivables	535.00	674.46
	d) Cash and cash equivalents	2122.92	773.94
	e) Short term loans and advances	166.61	54.42
	f) Other current assets	1654.49	1255.87
	Sub Total :Current Assets	5567.79	3647.63
	<b>TOTAL: ASSETS</b>	<b>19257.30</b>	<b>17992.73</b>

- Notes:
- The CDR Empowered Group had approved the proposal of the Company for One Time Settlement (O.T.S.) of the outstanding Term Loans and Non Convertible Debentures and sanctioned Working Capital Facilities as on 1st April, 2012 on 100% principal basis with a cut-off date of 15th November, 2012. As per the sanction OTS Scheme, the Company was to make the payment of final tranche on 1st April, 2015. The Company could not make payment of final tranche on due date. At the request of the Company, the CDR Empowered Group has on 29th September, 2015, Inter-alia, approved the terms of the said terminal payment i.e. (i) The Outstanding (as on 1st April, 2015) amount of terminal payment of OTS amount shall be converted into Equity and Fully Convertible Debentures (FCDs), (ii) Equity Conversion shall be by issuance of fresh equity of 66,05,246 shares as per applicable SEBI norms with a lock-in period of one year from the date of approval, (iii) The balance outstanding terminal OTS payment is to be converted into Fully Convertible Debentures (FCDs) bearing a coupon rate equivalent to Base Rate of respective Banks/Lenders and shall be converted into equity on 1st July, 2020, (iv) PACL shall issue Non Convertible Debentures (NCDs) to CDR Lenders to the extent of Mark to Market Loss in respect of fresh Equity issued by PACL and these NCDs shall bear a coupon rate equivalent to Base Rate of respective Banks/Lenders and shall be repaid from 1st July, 2020 in six equal monthly installments and (v) Working Capital Banker i.e. Punjab National Bank (PNB) shall continue the working capital facilities by restoring working capital limits at 55% of the original level and Punjab and Sind Bank shall consider sharing working capital limits on merits as and when the need arises in line with PNB. The Lenders in the Joint Lenders Meeting held on 14th January, 2016 had decided to keep the rate of interest on the FCDs and NCDs at IDBI Bank Limited's Base Rate as on cut off date i.e. 10% p.a. The Company has accounted for interest on the Debenture Portion of the last tranche of the OTS amount @ 10% p.a. for the period from 1st July, 2015 to 31st March, 2016. The Company has been allowed time period upto 31st October, 2016 to carry out the conversion of outstanding debt into Equity Shares and Fully Convertible Debentures & Non Convertible Debentures.
  - The Company operates in a single business segment viz., Chemicals. Hence segment reporting under AS-17 is not applicable.
  - The Company has become a Sick Industrial Company within the meaning of Section 3 (1) (o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). The Company's Reference under Section 15(1) of the SICA has been registered by the Board for Industrial and Financial Reconstruction as Case No. 152/2015.
  - The figures of last quarter are the balancing figures between audited figures in respect of the full financial year ended 31st March, 2016 and unaudited published year to date figures upto the 3rd quarter ended 31st December, 2015, which were subject to a limited review.
  - The figures of the provision periods and year have been regrouped/reclassified, wherever necessary.
  - The above results have been reviewed by the Audit Committee and thereafter approved by the Board in its meeting held on 26th May, 2016.

For and on behalf of the Board

(Amit Dhaka, IAS)  
Managing DirectorPlace : Chandigarh  
Date : May 26, 2016

**When an Unmodified Opinion is expressed on the Quarterly financial results (for companies other than banks)**

**Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To

Board of Directors  
**Punjab Alkalies & Chemicals Ltd**

We have audited the quarterly financial results of **Punjab Alkalies & Chemicals Ltd** for the quarter ended **31<sup>st</sup> March, 2016** and the year to date results for the period **1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016**, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25 / Ind AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

(i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

(ii) give a true and fair view of the net loss and other financial information for the quarter ended **31<sup>st</sup> March 2016** as well as the year to date results for the period from **1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016**.

For A.K.SOOD & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 000072N



(GAURAV SOOD)

Partner

Membership No. 507583

For S.TANDON & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 006388N



(H.S. KHURANA)

Partner

Membership No. 86331

Place: Chandigarh  
Date : 26.05.2016

# FORM A

(Compliance under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1.	Name of the Company	Punjab Alkalies & Chemicals Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2016
3.	Type of Audit observation	<p><b>Emphasis of Matter</b></p> <p>We draw attention to the following note in the financial statements:</p> <p><b>Note No. 1(a):</b> These accounts are prepared under the historical cost convention and on the basis of going concern. Accumulated losses have resulted in erosion of net worth of the Company. The financial statements have been prepared on a going concern basis on the strength of continued support of the promoters, financial institutions and banks. The Company has filed a reference before the Board for Industrial and Financial reconstruction (BIFR). BIFR has registered the company reference as Sick Industrial Company as Case No. 152/2015. At the request of Company CDR Empowered Group has sanctioned conversion of outstanding loan amount of Rs.4286 lacs into 6605246 Equity Shares as per SEBI Formula i.e. @ Rs.22.95 (Face Value Rs.10/- per share) and Fully Convertible Debentures (FCD) amounting to Rs.2770 lacs. It was further provided that the Company will issue Non-Convertible Debentures (NCD) to CDR Lenders to the extent of Mark to Market Loss in respect of fresh Equity issued by PACL. These FCDs and NCDs shall bear coupon rate equivalent to IDBI base rate as on 30th June, 2015 i.e. 10% p.a. CDR EG further approved waiver of interest on outstanding O.T.S. amount during period April to June, 2015. The Company has received sanctions from IDBI Bank Limited, IFCI Limited and LIC of India Limited. The Company has been given time upto 31st October, 2016 for the said conversion. The individual sanction from Punjab National Bank and Punjab &amp; Sind Bank is awaited. The Company is optimistic of a favourable decision in the matter. The Board of Directors, considering the future plan for operations and support of the promoters, lenders, business associates and workmen is hopeful of improved profitability leading to improvement in its financial position. All expenses and incomes to the extent considered payable and receivable respectively, unless stated otherwise, have been accounted for on mercantile basis.</p> <p>Our opinion is not qualified in respect of this matter.</p>
4.	Frequency of observation	Not Applicable
5.	To be signed by – • CEO/ Managing Director • CFO  • Auditors of the Company  • Audit Committee Chairman	<p style="text-align: center;">For Punjab Alkalies &amp; Chemicals Limited</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">                       (Anil Dhaka)                      Managing Director                 </div> <div style="text-align: center;">                       (Ajay Pal Singh)                      General Manager (Finance)                 </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;">                       For A.K. Sood &amp; Associates                      Chartered Accountants                      Partner                 </div> <div style="text-align: center;">                       For S. Tandon &amp; Associates                      Chartered Accountants                      Partner                 </div> </div> <div style="text-align: center; margin-top: 20px;">                       (D.C. Mehandru)                      Chairman, Audit Committee                 </div>

Date : May 26, 2016