



SVC INDUSTRIES LIMITED

(Formerly known as SVC Superchem Ltd.)

Regd. Off.: 301, A-1, Shubham Centre, Near Holy Family Church, 491, Cardinal Gracious Road, Andheri (East), Mumbai 400 099.
Tel.: +91-(22)-2832 4296 / 2821 5078 • Email : svcindustriesltd@gmail.com • Website: www.svcindustriesltd.com
CIN: L23201MH1989PLC053232

BSE Limited,
1st Floor, P.J. Tower,
Dalal Street,
Mumbai-400 023.

2nd June, 2018

Sub: Outcome of Meeting of the Board of Directors under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir,


We enclose Financial Results approved by Board of Directors in their meeting held today i.e 2nd June, 2018, Tuesday as required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on 31st March, 2018 and Independent Auditor's Report required under 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for your information and necessary record.

The meeting of Board of Directors has been concluded on 5 : 00 p.m.

Kindly acknowledge the receipt of the same.

Thanking You,

Yours faithfully,
For SVC Industries Limited
(Formerly known as SVC Superchem Ltd)


Suresh V. Chaturvedi
Director



Chaturvedi SK & Fellows

CHARTERED ACCOUNTANTS

402, DEV PLAZA, SWAMI VIVEKANAND ROAD, ANDHERI WEST, MUMBAI - 400058, INDIA.

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Independent Auditor's Report on Quarterly Financial Results and Annual Financial Results of SVC Industries Limited (Formerly known as SVC Superchem Limited)

Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016.

To

**The Board of Directors of SVC Industries Limited
(Formerly known as SVC Superchem Limited)**

1. We have audited the accompanying annual financial results ('the statement') of SVC Industries Limited (Formerly known as SVC Superchem Limited) ('the Company') for the year ended 31st March, 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 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016. Attention is drawn to the fact that the figures for the quarter ended 31st March, 2018 and the corresponding quarter ended in the previous year as reported in the statement are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the end of third quarter of the relevant financial year. Also the figures upto the end of third quarter for the respective financial years had only been reviewed and not subjected to audit.
2. This statement has been prepared on the basis of the Ind AS annual financial statements and reviewed unaudited quarterly financial results upto the end of the third quarter, which is the responsibility of the Company's Management and approved by the Board of Directors of the Company in their meeting held on 02nd June, 2018. Our responsibility is to express an opinion on the statement based on our audit of the Ind AS annual financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS), specified under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016.
3. We conducted our audit in accordance with the Standards on Auditing generally accepted in India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement. An audit includes examining, on test basis, evidence supporting the amounts disclosed as in the statement. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.



Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, the statement:

- (i) Is presented in accordance with the requirements of Regulation 33 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016 in this regard; and
- (ii) give a true and fair view of the financial performance and other financial information for the year ended March 31, 2018.



Place : Mumbai
Dated: 02nd June, 2018

For **CHATURVEDI SK & FELLOWS**
Chartered Accountants

A handwritten signature in blue ink, appearing to read "Srikant Chaturvedi".

Srikant Chaturvedi
Partner
(Firm Regn No. 112627W; Partner's
Membership No. 070019)



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Part-1 Statement of Audited Financial Results for the Quarter and Year ended 31st March, 2018

(Rs. in lakhs)

Sr. No.	Particulars	For the Quarter Ended			For the Year Ended	
		(Audited)			(Audited)	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
1	TOTAL INCOME:					
	Revenue from operations	-	-	-	-	-
	Other income	78.46	7.48	-	85.94	-
	Total Income	78.46	7.48	-	85.94	-
2	EXPENDITURE:					
	Cost of materials consumed	-	-	-	-	-
	Changes in inventories of finished goods, work in	-	-	-	-	-
	Employee benefits expense	19.81	15.84	-	35.65	-
	Finance costs	-	-	-	-	-
	Depreciation	3.01	3.00	-	6.01	-
	Other expenses	50.36	22.83	-	73.19	-
	Total Expenses	73.18	41.67	-	114.85	-
	Profit / (Loss) before exceptional items and tax(1					
3	2)	5.28	(34.19)	-	(28.91)	-
4	Add/(Less): Exceptional items	-	-	-	-	-
5	Profit / (Loss) before tax (3+4)	5.28	(34.19)	-	(28.91)	-
6	Less: Tax expenses	-	-	-	-	-
	Current tax	-	-	-	-	-
7	Profit / (Loss) for the period (5-6)	5.28	(34.19)	-	(28.91)	-
8	Other comprehensive Income (Net of Tax)	(1,012.85)	-	-	(1,012.85)	-
	Total Comprehensive income(after tax) for the					
9	period (7+8)	(1,007.57)	(34.19)	-	(1,041.76)	-
10	Paid-up Equity share Capital (Face Value Rs.10/-	16,186.37	16,186.37	16,186.37	16,186.37	16,186.37
11	each)					
	Other Equity				16,100.13	17,141.89
12	Earnings Per Share (EPS) (In Rs) -(not annualised)					
	-Basic	0.00	(0.02)	-	(0.02)	-
	-Diluted	0.00	(0.02)	-	(0.02)	-

Part -2 Statement of Assets and Liabilities

(Rs. in lakhs)

	Particulars	As on 31.03.2018	As on 31.03.2017
		Audited	Audited
A	Assets		
1	Non-Current Assets		
a	Property, plant and equipment	49,664.47	38,244.61
b	Capital work-in-progress	-	22,689.00
c	Financial Assets		
	Other Financial Assets	6.61	9.62
d	Other Non Financial Assets	2,140.81	2,150.68
	Total Non-Current Assets	51,811.89	63,093.91
2	Current Assets		
a	Inventories	0.25	165.60
b	Financial Assets		
	Cash and cash equivalents	6.32	26.21
	Other Financial Assets	0.86	0.22
c	Other Non Financial Assets	0.19	3.52
	Total Current Assets	7.62	195.55
	Total Assets	51,819.51	63,289.46
B	Equity and Liabilities		
1	Equity		
	Equity share capital	16,186.37	16,186.37
	Other Equity	16,100.13	17,141.89
	Total Equity	32,286.50	33,328.26
2	Liabilities		
	Non-Current Liabilities		
a	Financial Liabilities		
	Borrowings	19,046.53	29,907.93
	Other Financial Liabilities	27.09	10.76
b	Provisions	14.16	14.54
	Total Non-Current Liabilities	19,087.78	29,933.23
a	Current Liabilities		
	Financial Liabilities		
	Trade Payables	15.52	15.03
	Other Financial Liabilities	426.06	12.47

b	Other Non Financial Liabilities	3.65	0.47
	Total Current Liabilities	445.23	27.97
	Total Equity and Liabilities	51,819.51	63,289.46

Part-3 Notes to the Financial Results for the Quarter and for the Year ended 31st March' 2018

- The Audited Financial Results for the Quarter and for the Year ended 31st March' 2018 has been reviewed by the Audit Committee at its meeting held on 2nd June' 2018 and approved at the meeting of the Board of Directors held on that date.
- As per the Ministry of Corporate Affairs (MCA) notification dated 16th February 2015 the Indian Accounting Standards (Ind AS) are mandatory for the Company for the financial year commencing 1st April 2017. Accordingly the company has adopted Ind-AS and the financial results for the quarter and year ended 31st March, 2018 have been prepared in accordance with the recognition and measurement Principles laid down in the Ind-AS 34. The above results have been considered by the Audit Committee and approved by the Board of Directors in their respective meetings held on June 02, 2018. The financial results for the quarter and year ended 31st March 2017 have also been recast as per the recognition and measurement principles laid down in Ind-AS 34. The transition was carried out from Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).
- The Company has abandoned its PTA project, as it has not been in operation since Sept' 2000 due to various reasons beyond its control and has deteriorated / corroded / depreciated as unused / uncompleted. Company is in the process of utilising its infrastructure for some new Industry as advised by international consultants EY and accordingly Company's name has been changed from SVC Superchem Limited to SVC Industries with the approval of all Govt. authorities / SEBI / Stock Exchange etc. wherever required. The Board in its meeting held on 07.12.2017 have decided of abandoning the project subject to necessary approval from lenders and shareholders, hence expenditure and miscellaneous income accruing after 30.09.2017 have been charged to profit and loss account instead of treating them as construction cost.
- The figures for the quarter ended 31st March, 2018 represents the derived figures between the audited figures in respect of the year ended March 2018 and the unaudited published period to date figures upto December 31, 2017, which was subjected to a limited review.
- The impact of IND-AS transition has been provided in the opening reserve as at 01.04.2016 and all the periods presented have been restated.

Reconciliation of Reserves between Ind AS and previous Indian GAAP as at 31st March, 2017

(Rs. In Lakhs)

	Nature of Adjustments	Note No.	Reserve Reconciliation
	Reserve as per previous Indian GAAP		16,637.92
i	Fair Valuations as deemed cost for Property, Plants & Equipments	6	(30,918.40)
ii	Fair Valuations for Financial Assets	7	(388.59)
iii	Fair Valuations for Financial Liabilities	8	31,810.96
	Total		503.97
	Reserves as per Ind AS		17,141.89

- Fair valuation as deemed cost for Property, Plant and Equipment:** The Company have considered fair value for property, viz land admeasuring over 261 acres, situated in Mathura, UP, with impact of Rs. 378.90 crore and unused under construction PTA Plant closed and non operative since 2000 with impact of (-) Rs. 688.07 crore in accordance with stipulations of Ind AS 101 with the resultant impact being accounted for in the reserves.
- Fair valuation for Financial Assets :** The Company has valued Financial assets at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves.
Fair valuation for Financial Liabilities : The Company has valued Financial Liabilities at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves .
- In respect of financial liabilities of the company towards outstanding debenture holders and secured loans from state financial institution, company is in negotiations for settlement of their dues. A reliable estimate cannot be made of the amount likely to be paid in satisfaction of above obligations. Following the provision of Ind AS 37 no provision has been made for additional amounts on account of interest and other charges which may be payable to the lenders.
- On the basis of plant health assessment report from technical consultant who has categorically stated that if the Company tries to repair the equipment after some inspections, it will not be possible to guarantee overall safety & reliability of high pressure equipment for hazardous plant operation and concluded that Company's plant and equipments are not considered fit for operation and hence should be discarded, the Company has provided Impairment losses of Rs. 113.43 crore in line with provisions of Ind AS 36 Impairment of Assets and accounted it in other comprehensive income and thus considering the scrap value of the plant being realisable value for the asset. Company has appointed largest plant disposal & management consultant to auction the disposal of plant & equipments by scraping subject to necessary approval from lenders. The Capital work in progress after impairment is transferred to respective heads of tangible fixed assets on 31.03.2018 and therefore no depreciation has been provided on the same. As on 31.03.2018 the Company has received an advance of Rs. 401 lacs from one of the party interested in purchase of plant & equipments under auction.
- The Company has approached PICUP for settling its dues to resolve the matter amicably in view of the stay granted by Hon'ble Allahabad High Court against PICUP application. Company has filed an application again for OTS as per offer received from PICUP which is under negotiation.
- The Company had entered into an agreement with a Strategic Investors to take over the loans from its all existing lenders directly or indirectly through other agencies and has agreed to pay as per Strategic Investment Agreement without any interest within 24 months from the date of 100% loans taken over by the Investor directly or indirectly. Further now the Company is in the process of settling the dues of remaining lender (PICUP, Canara Bank, SBI) directly and thus on negotiation with the strategic investor a relief of Rs. 311.04 crore has been received which was accounted as fair value of liability while transition to Ind AS. Subsequently on plant being decided to be scrapped the strategic investor has given a further conditional relief of Rs. 105.92 crore bringing the outstanding liability towards them to Rs. 123.60 crore and condition being liability being repaid by 30.04.2019. This conditional relief has been treated as reduction in liability and accounted in other comprehensive income.
- Previous period / year figures have been regrouped / reclassified wherever considered necessary to confirm to current period / year figures.

For SVC Industries Limited
(Formerly SVC Superchem Limited)


Director