

**POLYCHEM LIMITED**



CIN: L24100MH1955PLC009663

REGD. OFFICE: 7. JAMSHEDJI TATAROAD. CHURCHGATE RECLAMATION. MUMBAI-400 020

Ph: 022 - 2282 0048, Fax: 022 - 2285 0606

E-mail: [polychemltd@kilachand.com](mailto:polychemltd@kilachand.com) , Website: [www.polychemltd.com](http://www.polychemltd.com)

Date: 03.11.2020

To  
Head Listing Compliance  
Bombay Stock Exchange Ltd.  
PhirozeJeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001

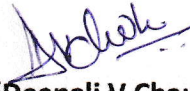
Company Code – 506605

Dear Sir/Ma'am,

**Sub: Standalone and Consolidated Unaudited Financial Results for the Quarter and half year ended September 30, 2020**

We are sending herewith Statement of Standalone and Consolidated Unaudited Financial Results along with the respective Limited Review Reports for the Quarter and half year ended September 30, 2020 from the Statutory Auditors, M/s. Nayan Parikh & Co., taken on record by the Board of Directors in their meeting held on 3<sup>rd</sup> November, 2020.

Yours faithfully,  
For Polychem Limited

  
(Deepali V Chauhan)  
Company Secretary & Compliance Officer  
Mem No. A38273

# NAYAN PARIKH & CO.

(REGISTERED)

CHARTERED ACCOUNTANTS

OFFICE NO. 9, 2<sup>ND</sup> FLOOR, JAIN CHAMBERS, 577, S.V. ROAD, BANDRA (WEST), MUMBAI 400050, INDIA.

PHONE : (91-22) 2640 0358, 2640 0359

## Independent Auditor's Review Report on the Unaudited Standalone financial result for the quarter and half year ended on September 30, 2020 of Polychem Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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To  
The Board of Directors  
Polychem Limited

1. We have reviewed the accompanying statement of standalone unaudited standalone financial results ("the Statement") of **Polychem Limited** ("the Company") for the quarter and half year ended September 30, 2020, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

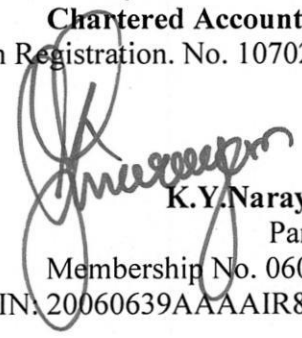


4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Mumbai  
Dated this 03<sup>rd</sup> day of November, 2020



**For Nayan Parikh & Co.**  
**Chartered Accountants**  
Firm Registration. No. 107023W

  
K.Y. Narayana  
Partner  
Membership No. 060639  
UDIN: 20060639AAAAIR8407

**POLYCHEM LIMITED**  
 CIN NO: L24100MH1955PLC009663  
 Regd. Office - 7 J Tata Road, Mumbai - 400020  
 Telephone: 91 22 22820048; Email : polychemid@kitchand.com  
 Website : www.polychemid.com

**Unaudited Standalone Financial Results For The Quarter and Half Year Ended September 30, 2020**

(Rs. in Lakhs)

| Sr. No. | Particulars  | Quarter ended on       |                        | Half Year ended on     |                        | Year ended on   |                        |
|---------|--|------------------------|------------------------|------------------------|------------------------|-----------------|------------------------|
|         |  | 30-Sep-20<br>Unaudited | 30-Jun-20<br>Unaudited | 30-Sep-19<br>Unaudited | 30-Sep-20<br>Unaudited |                 | 30-Sep-19<br>Unaudited |
| 1       | <b>Revenue from Operations</b>   |                        |                        |                        |                        |                 |                        |
| (a)     | Net Sales  | 252.75                 | 141.50                 | 610.04                 | 394.25                 | 1,183.82        | 2,240.92               |
| (b)     | Other Operating Income   | 4.44                   | 2.24                   | 17.24                  | 6.68                   | 29.16           | 59.89                  |
| 2       | Other Income   | 21.92                  | 48.04                  | 24.73                  | 69.96                  | 41.57           | 75.36                  |
| 3       | <b>Total Income (1+2)</b>  | <b>279.11</b>          | <b>191.78</b>          | <b>652.01</b>          | <b>470.89</b>          | <b>1,254.55</b> | <b>2,376.17</b>        |
| 4       | <b>Expenses</b>  |                        |                        |                        |                        |                 |                        |
| (a)     | Cost of materials consumed   | 113.08                 | 68.78                  | 312.53                 | 181.86                 | 623.81          | 1,160.97               |
| (b)     | Changes in inventories of finished goods, work-in-progress and stock- in-trade | (6.42)                 | (6.07)                 | 13.96                  | (12.50)                | 22.13           | 15.30                  |
| (c)     | Processing charges   | 37.93                  | 21.66                  | 74.70                  | 59.59                  | 146.85          | 284.72                 |
| (d)     | Employee benefits expense  | 68.80                  | 69.88                  | 75.38                  | 138.68                 | 137.41          | 289.80                 |
| (e)     | Finance Costs  | 0.61                   | 0.49                   | -                      | 1.10                   | -               | 0.91                   |
| (f)     | Depreciation and amortisation expense  | 12.35                  | 11.08                  | 7.66                   | 23.43                  | 15.22           | 51.01                  |
| (g)     | Other expenses   | 58.14                  | 20.91                  | 81.69                  | 79.05                  | 152.23          | 262.68                 |
| 5       | <b>Total Expenses</b>  | <b>284.49</b>          | <b>186.73</b>          | <b>565.92</b>          | <b>471.21</b>          | <b>1,097.65</b> | <b>2,065.39</b>        |
| 6       | <b>Profit / (Loss) before Tax (3-4)</b>  | <b>(5.38)</b>          | <b>5.05</b>            | <b>86.09</b>           | <b>(0.32)</b>          | <b>156.90</b>   | <b>310.78</b>          |
|         | Tax expenses   | -                      | -                      | 18.00                  | -                      | 33.50           | 70.00                  |
|         | Current Tax (for the year)   | (0.13)                 | -                      | (0.63)                 | (0.13)                 | -               | -                      |
|         | Deferred Tax   | 0.84                   | 0.04                   | (0.63)                 | 0.88                   | (0.48)          | (0.16)                 |
| 7       | <b>Net Profit / (Loss) for the period after Tax (5-6)</b>                      | <b>(6.09)</b>          | <b>5.01</b>            | <b>68.72</b>           | <b>(1.07)</b>          | <b>123.88</b>   | <b>240.94</b>          |
| 8       | <b>Other Comprehensive Income</b>  |                        |                        |                        |                        |                 |                        |
|         | Items that will not be re-classified to Profit or Loss :                       |                        |                        |                        |                        |                 |                        |
|         | Re measurements of post employment benefit                                     | (1.33)                 | (1.58)                 | (0.55)                 | (2.91)                 | (1.11)          | (6.33)                 |
|         | Income tax relating to these items   | 0.33                   | 0.40                   | 0.14                   | 0.73                   | 0.28            | 1.59                   |
| 9       | <b>Total Comprehensive Income for the period (7-8)</b>                         | <b>(7.09)</b>          | <b>3.83</b>            | <b>68.31</b>           | <b>(3.25)</b>          | <b>123.05</b>   | <b>236.20</b>          |
| 10      | Paid-up Equity Share Capital (Face value Rs. 10/- per share)                   | 40.40                  | 40.40                  | 40.40                  | 40.40                  | 40.40           | 40.40                  |
| 11      | Other Equity   |                        |                        |                        |                        |                 |                        |
| 12      | Earning Per Share - (Basic and diluted) (Rs.)*                                 | (1.51)                 | 1.24                   | 17.01                  | (0.27)                 | 30.66           | 59.63                  |

\*EPS is not annualised for the Quarter/Half Year ended Sept 30, 2020, June 30, 20 and Sept 30, 2019.



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**Website :www.polychemltd.com**

| <b>Unaudited Standalone Statement of Assets and Liabilities as at September 30, 2020</b> |                  |                  |
|--|------------------|------------------|
| <b>(Rs. in Lakhs)</b>  |                  |                  |
| <b>Particulars</b>   | <b>As At</b>     |                  |
|  | <b>30-Sep-20</b> | <b>31-Mar-20</b> |
|  | <b>Unaudited</b> | <b>Audited</b>   |
| <b>ASSETS</b>  |                  |                  |
| <b>Non-current assets</b>  |                  |                  |
| Property, plant and equipment  | 132.11           | 141.57           |
| Other Intangible assets  | 4.74             | 0.78             |
| <b>Financial assets</b>  |                  |                  |
| Investments  | 1,081.77         | 928.32           |
| Loans  | 1.16             | 0.80             |
| Other financial assets   | 11.87            | 11.87            |
| Deferred tax assets (Net)  | 13.03            | 13.17            |
| Other non-current assets   | 26.72            | 46.99            |
| <b>Total non-current assets</b>  | <b>1,271.40</b>  | <b>1,143.50</b>  |
| <b>Current Assets</b>  |                  |                  |
| Inventories  | 233.65           | 226.31           |
| <b>Financial Assets</b>  |                  |                  |
| Trade receivables  | 177.68           | 406.98           |
| Cash and cash equivalents  | 175.47           | 248.04           |
| Bank balances other than cash and cash equivalents                                       | 242.57           | 205.33           |
| Loans  | 8.56             | 8.77             |
| Other financial assets   | 2.92             | 2.77             |
| Current tax assets (Net)   | 0.77             | 15.68            |
| Other current assets   | 38.20            | 37.56            |
| <b>Total current assets</b>  | <b>879.82</b>    | <b>1,151.44</b>  |
| <b>Total assets</b>  | <b>2,151.22</b>  | <b>2,294.94</b>  |
| <b>EQUITY AND LIABILITIES</b>  |                  |                  |
| <b>Equity</b>  |                  |                  |
| Equity Share capital   | 40.40            | 40.40            |
| Other Equity   | 1,922.85         | 1,976.62         |
| <b>Total equity</b>  | <b>1,963.25</b>  | <b>2,017.02</b>  |
| <b>Liabilities</b>   |                  |                  |
| <b>Non-current liabilities</b>   |                  |                  |
| <b>Financial Liabilities</b>   |                  |                  |
| Other financial liabilities  | 30.27            | 40.11            |
| <b>Total non-current liabilities</b>   | <b>30.27</b>     | <b>40.11</b>     |
| <b>Current liabilities</b>   |                  |                  |
| <b>Financial Liabilities</b>   |                  |                  |
| Trade payables   |                  |                  |
| Total outstanding dues of Micro & Small Enterprises                                      | 37.10            | 17.08            |
| Other than Micro & Small Enterprises   | 0.39             | 65.39            |
| Other financial liabilities  | 54.36            | 89.31            |
| Other current liabilities  | 62.17            | 63.07            |
| Provisions   | 0.16             | 1.27             |
| Current Tax Liabilities (Net)  | 3.52             | 1.69             |
| <b>Total current liabilities</b>   | <b>157.70</b>    | <b>237.81</b>    |
| <b>Total equity and liabilities</b>  | <b>2,151.22</b>  | <b>2,294.94</b>  |

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| <b>Unaudited Standalone Statement of Cash Flows for the Half Year Ended September 30, 2020</b> |                        |                   |
|--|------------------------|-------------------|
| <b>Particulars</b>   | <b>(Rs. In Lakhs)</b>  |                   |
|  | <b>Half Year Ended</b> | <b>Year Ended</b> |
|  | <b>30-Sep-20</b>       | <b>31-Mar-20</b>  |
|  | <b>Unaudited</b>       | <b>Audited</b>    |
| <b>Profit before income tax</b>  | <b>(0.32)</b>          | <b>310.78</b>     |
| <b>Non-cash Adjustment to Profit Before Tax:</b>   |                        |                   |
| Depreciation and amortization expense  | 23.43                  | 51.01             |
| Dividend Income  | (0.44)                 | (0.45)            |
| Gratuity & Leave Encashment Provision  | 3.14                   | 8.00              |
| Interest Income  | (11.09)                | (18.86)           |
| Provision for Bonus  | 0.39                   | 7.44              |
| Amount written off   | 1.01                   | 0.41              |
| Lease Income   | (1.81)                 | -                 |
| MTM (Gain)/loss on forward contracts   | (0.41)                 | 7.07              |
| Change in fair value of financial assets at fair value through profit or loss                  | (53.35)                | (47.76)           |
| Bad Debts  | 0.20                   | 0.07              |
| Profit on sale of Property, plant and equipment  | (0.01)                 | -                 |
| Loss on fire   | 5.19                   | -                 |
| Finance Cost on lease  | 1.10                   | 0.91              |
| Unrealised gain and loss on foreign exchange   | (0.41)                 | (15.68)           |
|  | <b>(33.38)</b>         | <b>302.94</b>     |
| <b>Change in operating assets and liabilities :</b>  |                        |                   |
| Decrease/(increase) in trade receivables   | 229.51                 | (22.96)           |
| Decrease/(increase) in inventories   | (12.53)                | 6.20              |
| Increase/(decrease) in trade payables  | (44.99)                | (10.51)           |
| Increase/(decrease) in other financial assets  | -                      | 3.94              |
| Decrease/(increase) in other non-current assets  | 13.45                  | 7.59              |
| Decrease/(increase) in other current assets  | (0.63)                 | 42.45             |
| Increase/(decrease) in other current liabilities   | (8.48)                 | (18.85)           |
| Increase/(decrease) in other financial liabilities   | (34.66)                | 30.32             |
| <b>Cash generated from operations</b>  | <b>108.28</b>          | <b>341.12</b>     |
| Direct taxes paid (net of refunds)   | (19.14)                | 60.47             |
| <b>Net cash flow from/(used in) operating activities (A)</b>                                   | <b>127.42</b>          | <b>280.65</b>     |
| <b>Cash flow from investing activities</b>   |                        |                   |
| Payments for acquisition of property, plant and equipment                                      | (13.65)                | (15.52)           |
| Payments for acquisition of intangible assets  | (4.29)                 | (0.34)            |
| Loans & advances repaid by Subsidiaries  | -                      | 80.00             |
| Inter corporate deposit given  | -                      | 6.35              |
| Loans to employees and others  | (0.15)                 | (5.17)            |
| Proceeds from sale of property, plant and equipment  | 0.03                   | -                 |
| Movement in Fixed deposits   | (33.67)                | (135.02)          |
| Investment in mutual funds & Shares  | (100.12)               | (21.20)           |
| Interest received  | 11.35                  | 16.88             |
| Dividend received  | 0.44                   | 0.45              |
| <b>Net cash flow from/(used in) investing activities (B)</b>                                   | <b>(140.06)</b>        | <b>(73.57)</b>    |

| Particulars   | (Rs. In Lakhs)  |                |
|---|---|----------------|
|   | Half Year Ended   | Year Ended     |
|   | 30-Sep-20   | 31-Mar-20      |
|   | Unaudited   | Audited        |
| <b>Cash flows from financing activities</b>   |   |                |
| Finance lease payments  | (9.42)  | (21.53)        |
| Dividends Paid  | (50.51)   | (12.18)        |
| <b>Net cash flow from/(used in) in financing activities (C)</b>                     | <b>(59.93)</b>  | <b>(33.71)</b> |
| <b>Net increase/(decrease) in cash and cash equivalents (A+B+ C)</b>                | <b>(72.57)</b>  | <b>173.36</b>  |
| Cash and cash equivalents at the beginning of the year                              | 248.04  | 74.68          |
| <b>Cash and cash equivalents at the end of the year</b>                             | <b>175.47</b>   | <b>248.04</b>  |
| <b>Reconciliation of cash and cash equivalents as per the cash flow statement :</b> |   |                |
| Cash and cash equivalents   |   |                |
| Balances with banks:  |   |                |
| On current accounts   | 69.95   | 118.96         |
| Deposits with original maturity of less than 3 months                               | 104.33  | 128.00         |
| Cash on hand  | 1.19  | 1.08           |
| <b>Balance as per the cash flow statement</b>                                       | <b>175.47</b>   | <b>248.04</b>  |
| <b>Note :</b>   | Above statement has been prepared by using Indirect method as per Ind AS - 7 on Statement of Cash flows |                |

**Notes :**

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 03, 2020.
- 2 The Statutory auditor of the Company have conducted limited review of the financial results for the quarter and half year ended September 30,2020.
- 3 These results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 4 Subsequent to the outbreak of Coronavirus (COVID-19) and subsequent lockdown across the country, the Company has gradually resumed operations with requisite precautions. However , disruptions to business worldwide and economic slowdown may have its eventual impact on the company. A definitive assessment of the impact is not possible in view of the highly uncertain economic environment and the scenario is still evolving. The company has assessed the impact of pandemic on its financial results/position based up to the date of approval of these financial results and expects to recover the carrying value of its assets. The company continues to monitor the economic effects of the pandemic while taking steps to improve its execution efficiencies and the financial outcome. . The results for the quarter and half year ended September 30,2020 are therefore not comparable with those for the previous year's quarter and half year ended September 30, 2019.
- 5 As the Company's business activity falls within a single business segment in terms of Ind AS 108 on Operating Segments, the financial statement are reflective of the information required by Ind AS 108.
- 6 As per Ind As 108 -"Operating Segment information" has been provided under the Notes to Consolidated Financial Results.
- 7 The figures for the corresponding periods have been reclassified and/or regrouped ,wherever necessary to confirm to the figures of the current period.

Place: Mumbai  
Date : Nov 03, 2020



P T KILACHAND  
(DIN No.:00005516)  
Managing Director



# NAYAN PARIKH & CO.

(REGISTERED)

CHARTERED ACCOUNTANTS

OFFICE NO. 9, 2<sup>ND</sup> FLOOR, JAIN CHAMBERS, 577, S.V. ROAD, BANDRA (WEST), MUMBAI 400050, INDIA.

PHONE : (91-22) 2640 0358, 2640 0359

## **Independent Auditor's Review Report on Unaudited Consolidated Financial Results for the quarter and half year ended on September 30, 2020 of Polychem Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

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To

**The Board of Directors  
Polychem Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of **Polychem Limited** ("the Parent") and its subsidiary (the parent and its subsidiary together referred to as the Group), and its share of the net profit/(loss) after tax and total comprehensive income/ loss of its Subsidiary for the quarter and half year ended September 30, 2020 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



4. The Statement includes the standalone financial result of one subsidiary Gujarat Poly Electronics Limited.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the unaudited financial result of a subsidiary referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the unaudited standalone financial result of one subsidiary included in the unaudited consolidated result, whose unaudited standalone result reflect total assets of Rs. 1046.41 lakhs as at September 30, 2020 and total revenue of Rs. 334.43 lakhs and Rs.468.78 lakhs, total net profit/(loss) after tax Rs. 18.24 lakhs and Rs.(26.89) lakhs, total comprehensive income of Rs. 17.65 lakhs and Rs.(28.07) lakhs for the quarter ended September 30, 2020 and for the period from April 01, 2020 to September 30, 2020, respectively and cash flows (net) of Rs.(11.40) lakhs for the period from April 01, 2020 to September 30, 2020, as considered in the consolidated unaudited financial result. This unaudited standalone financial result has been reviewed by other auditor whose report has been furnished to us by the Management and our conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matters.

Mumbai  
Dated this 03<sup>rd</sup> day of November, 2020



**For Nayan Parikh & Co.**  
Chartered Accountants  
Firm Registration No. 107023W

  
**K.Y. Narayana**  
Partner  
Membership No. 060639  
UDIN: 20060639AAAIS5939

| Sr. No. | Particulars   | Unaudited Consolidated Financial Results For The Quarter and Half Year Ended September 30, 2020 |                |                    |                | (Rs. in Lakhs)  |                 |
|---------|---|---|----------------|--------------------|----------------|-----------------|-----------------|
|         |   | Quarter ended on  |                | Half Year ended on |                | Year ended on   |                 |
|         |   | 30-Sep-20   | 30-Jun-20      | 30-Sep-19          | 30-Sep-20      | 30-Sep-19       | 31-Mar-20       |
|         |   | Unaudited   | Unaudited      | Unaudited          | Unaudited      | Unaudited       | Audited         |
| 1       | <b>Revenue from Operations</b>  |   |                |                    |                |                 |                 |
| (a)     | Net Sales   | 582.62  | 272.28         | 944.14             | 854.90         | 1,890.90        | 3,600.47        |
| (b)     | Other Operating Income  | 7.18  | 3.03           | 18.24              | 10.21          | 31.31           | 63.14           |
| 2       | Other Income  | 23.78   | 53.09          | 27.03              | 76.87          | 42.99           | 111.61          |
| 3       | <b>Total Income (1+2)</b>   | <b>613.58</b>   | <b>328.40</b>  | <b>989.41</b>      | <b>941.98</b>  | <b>1,965.20</b> | <b>3,775.22</b> |
| 4       | <b>Expenses</b>   |   |                |                    |                |                 |                 |
| (a)     | Cost of materials consumed  | 113.97  | 69.02          | 313.01             | 182.99         | 625.32          | 1,163.82        |
| (b)     | Purchase of stock-in-trade  | 158.11  | 152.51         | 195.78             | 310.62         | 389.79          | 763.63          |
| (c)     | Changes in inventories of finished goods, work-in-progress and stock-in-trade | 31.90   | (80.52)        | 15.44              | (48.62)        | 37.15           | 56.33           |
| (d)     | Processing charges  | 37.93   | 21.66          | 74.70              | 59.59          | 146.85          | 284.72          |
| (e)     | Employee benefits expense   | 139.31  | 136.22         | 148.96             | 275.53         | 288.00          | 583.15          |
| (f)     | Finance Costs   | 0.74  | 0.64           | -                  | 1.38           | 21.68           | 1.32            |
| (g)     | Depreciation and amortisation expense   | 17.57   | 16.53          | 10.97              | 34.10          | -               | 70.17           |
| (h)     | Other expenses  | 101.15  | 52.41          | 134.02             | 153.56         | 236.30          | 419.63          |
|         | <b>Total Expenses</b>   | <b>600.68</b>   | <b>368.47</b>  | <b>892.88</b>      | <b>969.15</b>  | <b>1,745.09</b> | <b>3,342.77</b> |
| 5       | Profit / (Loss) before Tax (3-4)  | 12.90   | (40.07)        | 96.53              | (27.17)        | 220.10          | 432.45          |
| 6       | Tax expenses  | -   | -              | 18.00              | -              | 33.50           | 70.00           |
|         | Current Tax (for the year)  | (0.13)  | -              | -                  | (0.13)         | -               | -               |
|         | Deferred Tax  | 0.84  | 0.04           | (0.63)             | 0.88           | (0.48)          | (0.16)          |
| 7       | Net Profit / (Loss) for the period after Tax (5-6)                            | 12.19   | (40.11)        | 79.16              | (27.92)        | 187.09          | 362.61          |
| 8       | Other Comprehensive Income  |   |                |                    |                |                 |                 |
|         | Items that will not be re-classified to Profit or Loss:                       |   |                |                    |                |                 |                 |
|         | Re-measurements of the defined benefit plans (net of tax)                     | (1.92)  | (2.17)         | (0.97)             | (4.09)         | (1.95)          | (10.37)         |
|         | Income tax relating to items that will not be reclassified to profit or loss  | 0.33  | 0.40           | 0.14               | 0.73           | 1.59            | -               |
| 9       | <b>Total Comprehensive Income for the period (7-8)</b>                        | <b>10.60</b>  | <b>(41.88)</b> | <b>78.33</b>       | <b>(31.28)</b> | <b>185.41</b>   | <b>353.83</b>   |
| 10      | <b>Profit / (Loss) attributable to:</b>                                       |   |                |                    |                |                 |                 |
|         | Owners of the parent  | 3.80  | (19.35)        | 74.37              | (15.60)        | 158.02          | 306.63          |
|         | Non-controlling interest  | 8.39  | (20.76)        | 4.79               | (12.32)        | 29.07           | 55.98           |
|         | <b>Other Comprehensive Income attributable to:</b>                            |   |                |                    |                |                 |                 |
|         | Owners of the parent  | (1.32)  | (1.50)         | (0.64)             | (2.82)         | (1.29)          | (6.92)          |
|         | Non-controlling interest  | (0.27)  | (0.27)         | (0.19)             | (0.54)         | (0.39)          | (1.86)          |
|         | <b>Total Comprehensive Income attributable to:</b>                            |   |                |                    |                |                 |                 |
|         | Owners of the parent  | 2.48  | (20.85)        | 73.73              | (18.42)        | 156.73          | 299.71          |
|         | Non-controlling interest  | 8.12  | (21.03)        | 4.60               | (12.86)        | 28.68           | 54.12           |
| 11      | Paid-up Equity Share Capital (Face value Rs. 10/- per share)                  | 40.40   | 40.40          | 40.40              | 40.40          | 40.40           | 40.40           |
| 12      | Other Equity  | -   | -              | -                  | -              | -               | -               |
| 13      | Earning Per Share - (Basic and diluted) (Rs.)*                                | 0.94  | (4.79)         | 18.41              | (3.86)         | 39.11           | 75.89           |

\*EPS is not annualised for the Quarter/Half Year ended Sept 30, 2020, June 30, 20 and Sept 30, 2019.

**Notes:**

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 03, 2020
- The Statutory auditor of the Company have conducted limited review of the financial results for the quarter and half year ended September 30, 2020.
- These results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- Subsequent to the outbreak of Coronavirus (COVID-19) and subsequent lockdown across the country, the Group has gradually resumed operations with requisite precautions. However, disruptions to business worldwide and economic slowdown may have its eventual impact on the Group. A definitive assessment of the impact is not possible in view of the highly uncertain economic environment and the scenario is still evolving. The Group has assessed the impact of pandemic on its financial results position based up to the date of approval of these financial results and expects to recover the carrying value of its assets. The Group continues to monitor the economic effects of the pandemic while taking steps to improve its execution efficiencies and the financial outcome. The results for the quarter and half year ended September 30, 2020 are therefore not comparable with those for the previous year's quarter and half year ended September 30, 2019.
- Segment information for primary segment reporting (by business segments):  
 The Group has three business segments:  
 (i) Property Development  
 (ii) Specialty Chemicals  
 (iii) Manufacturing and trading in Capacitors



**POLYCHEM LIMITED**  
**CIN NO:L24100MH1955PLC009663**  
**Regd. Office - 7 J Tata Road, Mumbai - 400020**  
**Telephone: 91 22 22820048; Email :polychemltd@kilachand.com**  
**Website :www.polychemltd.com**

| <b>Unaudited Consolidated Statement of Assets and Liabilities as at September 30, 2020</b> |                  |                  |
|--|------------------|------------------|
| <b>(Rs. in Lakhs)</b>  |                  |                  |
| <b>Particulars</b>   | <b>As At</b>     |                  |
|  | <b>30-Sep-20</b> | <b>31-Mar-20</b> |
|  | <b>Unaudited</b> | <b>Audited</b>   |
| <b>ASSETS</b>  |                  |                  |
| <b>Non-current assets</b>  |                  |                  |
| Property, plant and equipment  | 325.81           | 345.04           |
| Other Intangible assets  | 14.77            | 10.72            |
| <b>Financial assets</b>  |                  |                  |
| Investments  | 965.12           | 811.66           |
| Loans  | 1.16             | 0.80             |
| Other financial assets   | 20.28            | 20.28            |
| Deferred tax assets (Net)  | 13.03            | 13.17            |
| Other non-current assets   | 26.90            | 47.15            |
| <b>Total non-current assets</b>  | <b>1,367.07</b>  | <b>1,248.82</b>  |
| <b>Current Assets</b>  |                  |                  |
| Inventories  | 474.72           | 431.69           |
| <b>Financial Assets</b>  |                  |                  |
| Trade receivables  | 494.40           | 770.53           |
| Cash and cash equivalents  | 271.26           | 285.21           |
| Bank balances other than cash and cash equivalents   | 353.09           | 385.85           |
| Loans  | 16.57            | 18.95            |
| Other financial assets   | 4.51             | 5.48             |
| Current tax assets (Net)   | 0.77             | 15.68            |
| Other current assets   | 66.35            | 42.91            |
| <b>Total current assets</b>  | <b>1,681.67</b>  | <b>1,956.30</b>  |
| <b>Assets held for sale</b>  | <b>31.39</b>     | <b>31.39</b>     |
| <b>Total assets</b>  | <b>3,080.13</b>  | <b>3,236.51</b>  |
| <b>EQUITY AND LIABILITIES</b>  |                  |                  |
| <b>Equity</b>  |                  |                  |
| Equity Share capital   | 40.40            | 40.40            |
| Other Equity   | 2,404.44         | 2,473.36         |
| Amount attributable to Owners of Polychem Limited  | 2,444.84         | 2,513.76         |
| Non Controlling Interest   | (24.59)          | (11.68)          |
| <b>Total equity</b>  | <b>2,420.25</b>  | <b>2,502.08</b>  |
| <b>Liabilities</b>   |                  |                  |
| <b>Non-current liabilities</b>   |                  |                  |
| <b>Financial Liabilities</b>   |                  |                  |
| Other financial liabilities  | 32.47            | 45.44            |
| Provisions   | 30.15            | 27.04            |
| <b>Total non-current liabilities</b>   | <b>62.62</b>     | <b>72.48</b>     |
| <b>Current liabilities</b>   |                  |                  |
| <b>Financial Liabilities</b>   |                  |                  |
| Trade payables   | 68.18            | 110.08           |
| Other financial liabilities  | 398.82           | 411.66           |
| Other current liabilities  | 106.54           | 117.70           |
| Provisions   | 20.20            | 20.82            |
| Current Tax Liabilities (Net)  | 3.52             | 1.69             |
| <b>Total current liabilities</b>   | <b>597.26</b>    | <b>661.95</b>    |
| <b>Total equity and liabilities</b>  | <b>3,080.13</b>  | <b>3,236.51</b>  |



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| <b>Unaudited Consolidated Statement of Cash flows for the Half Year Ended September 30, 2020</b> |                        |                   |
|--|------------------------|-------------------|
| <b>Particulars</b>   | <b>(Rs. In Lakhs)</b>  |                   |
|  | <b>Half Year Ended</b> | <b>Year Ended</b> |
|  | <b>30-Sep-20</b>       | <b>31-Mar-20</b>  |
|  | <b>Unaudited</b>       | <b>Audited</b>    |
| <b>Cash flow from operating activities</b>   |                        |                   |
| <b>Profit before income tax</b>  | (27.17)                | 432.45            |
| <b>Non-cash Adjustment to Profit Before Tax:</b>   |                        |                   |
| Depreciation and amortization expense  | 34.10                  | 70.17             |
| Dividend Income  | (0.44)                 | (0.45)            |
| Gratuity & Leave Encashment Provision  | 3.14                   | 8.00              |
| Interest Income  | (15.67)                | (25.26)           |
| Provision for Bonus  | 0.39                   | 7.44              |
| Amount no longer payable written back  | 0.01                   | (0.54)            |
| Lease Income   | (1.81)                 | 0.00              |
| Amount written off   | 1.10                   | 1.96              |
| Allowance for bad & doubtful debts   | (2.32)                 | (28.80)           |
| MTM (Gain)/loss on forward contracts   | (0.41)                 | 7.07              |
| Change in fair value of financial assets at fair value through profit or loss                    | (53.35)                | (47.76)           |
| Bad Debts  | 0.20                   | 0.07              |
| Profit on sale of Property, plant and equipment  | (0.01)                 | -                 |
| Loss by Fire   | 5.19                   | -                 |
| Finance Cost on Lease  | 1.38                   | 1.20              |
| Unrealised gain and loss on foreign exchange   | (3.91)                 | (18.34)           |
| Interest and finance charges   | 0.00                   | 0.12              |
|  | <b>(59.58)</b>         | <b>407.33</b>     |
| <b>Change in operating assets and liabilities :</b>  |                        |                   |
| Decrease/(increase) in trade receivables   | 277.58                 | 125.74            |
| Decrease/(increase) in inventories   | (48.21)                | 47.30             |
| Increase/(decrease) in trade payables  | (37.53)                | 10.28             |
| Increase/(decrease) in other financial assets  | 1.12                   | (2.20)            |
| Decrease/(increase) in other non-current assets  | 16.28                  | 7.59              |
| Decrease/(increase) in other current assets  | (23.44)                | 41.13             |
| Increase/(decrease) in provisions  | 3.58                   | 3.79              |
| Increase/(decrease) in Loans   | 2.17                   | (5.31)            |
| Increase/(decrease) in other current liabilities   | (0.95)                 | 3.01              |
| Increase/(decrease) in other financial liabilities   | (34.66)                | 10.30             |
| <b>Cash generated from operations</b>  | <b>96.36</b>           | <b>648.95</b>     |
| Direct taxes paid (net of refunds)   | (19.14)                | 60.47             |
| <b>Net cash flow from/(used in) operating activities (A)</b>                                     | <b>115.50</b>          | <b>588.48</b>     |


| Particulars   | (Rs. In Lakhs)  |                 |
|---|-----------------|-----------------|
|   | Half Year Ended | Year Ended      |
|   | 30-Sep-20       | 31-Mar-20       |
|   | Unaudited       | Audited         |
| <b>Cash flow from investing activities</b>  |                 |                 |
| Payments for acquisition of property, plant and equipment   | (14.68)         | (49.46)         |
| Payments for acquisition of intangible assets   | (4.29)          | (0.34)          |
| Inter corporate deposit given   | -               | 6.35            |
| Loans to employees and others   | (0.15)          | (5.17)          |
| Proceeds from sale of property, plant and equipment   | 0.06            | -               |
| Movement in Fixed deposits  | 36.33           | (315.02)        |
| Investment in mutual funds & shares   | (100.12)        | (21.20)         |
| Interest received   | 15.93           | 23.28           |
| Dividend received   | 0.44            | 0.45            |
| <b>Net cash flow from/(used in) investing activities (B)</b>  | <b>(66.48)</b>  | <b>(361.11)</b> |
| <b>Cash flows from financing activities</b>   |                 |                 |
| Finance lease payments  | (12.46)         | (28.26)         |
| Interest and finance charges  | -               | (0.12)          |
| Dividends Paid  | (50.51)         | (12.18)         |
| <b>Net cash flow from/(used in) in financing activities (C)</b>   | <b>(62.97)</b>  | <b>(40.56)</b>  |
| <b>Net increase/(decrease) in cash and cash equivalents (A+B+ C)</b>                                    | <b>(13.95)</b>  | <b>186.82</b>   |
| Cash and cash equivalents at the beginning of the year  | 285.21          | 98.39           |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>271.26</b>   | <b>285.21</b>   |
| <b>Reconciliation of cash and cash equivalents as per the cash flow statement :</b>                     |                 |                 |
| Cash and cash equivalents   |                 |                 |
| Balances with banks:  |                 |                 |
| On current accounts   | 165.74          | 154.92          |
| Deposits with original maturity of less than 3 months   | 104.33          | 128.00          |
| Cash on hand  | 1.19            | 2.29            |
| <b>Balance as per the cash flow statement :</b>   | <b>271.26</b>   | <b>285.21</b>   |
| <b>Note :</b>   |                 |                 |
| Above statement has been prepared by using Indirect method as per Ind AS - 7 on Statement of Cash flows |                 |                 |

**Unaudited Consolidated Segment Revenue and Results for the Quarter and Half Year Ended Sept 30, 2020**

| Sr. No. | Particulars   | (Rs. in Lakhs)         |                        |                        |                        |                        |                      |
|---------|---|------------------------|------------------------|------------------------|------------------------|------------------------|----------------------|
|         |   | Quarter ended on       |                        | Half Year ended on     |                        | Year ended on          |                      |
|         |   | 30-Sep-20<br>Unaudited | 30-Jun-20<br>Unaudited | 30-Sep-19<br>Unaudited | 30-Sep-20<br>Unaudited | 30-Sep-19<br>Unaudited | 31-Mar-20<br>Audited |
| 1       | <b>Segment Revenue</b><br>(net sale/income from each segment)                   |                        |                        |                        |                        |                        |                      |
|         | (a) Property Development  | 252.75                 | 141.50                 | 610.04                 | 394.25                 | 1,183.82               | 2,240.92             |
|         | (b) Speciality Chemicals  | 329.87                 | 130.78                 | 334.11                 | 460.65                 | 707.08                 | 1,359.55             |
|         | (c) Manufacturing and trading in Capacitors                                     | 30.96                  | 56.12                  | 45.26                  | 87.08                  | 74.30                  | 174.75               |
|         | (d) Unallocated   | 613.58                 | 328.40                 | 989.41                 | 941.98                 | 1,965.20               | 3,775.22             |
|         | <b>Total</b>  |                        |                        |                        |                        |                        |                      |
|         | Less: Inter Segment Revenue   | -                      | -                      | -                      | -                      | -                      | -                    |
|         | <b>Revenue from operations</b>  | <b>613.58</b>          | <b>328.40</b>          | <b>989.41</b>          | <b>941.98</b>          | <b>1,965.20</b>        | <b>3,775.22</b>      |
| 2       | <b>Segment Results</b><br>Profit/Loss before tax and interest from each segment |                        |                        |                        |                        |                        |                      |
|         | (a) Property Development  | 62.81                  | 25.89                  | 155.85                 | 88.70                  | 288.26                 | 580.05               |
|         | (b) Speciality Chemicals  | 18.24                  | (45.13)                | 10.42                  | (26.89)                | 64.16                  | 122.63               |
|         | (c) Manufacturing and trading in Capacitors                                     | 81.05                  | (19.24)                | 166.27                 | 61.81                  | 352.42                 | 702.68               |
|         | (d) Unallocated   | 68.14                  | 20.83                  | 69.73                  | 88.97                  | 132.32                 | 270.23               |
|         | <b>Total</b>  | <b>12.90</b>           | <b>(40.07)</b>         | <b>96.53</b>           | <b>(27.17)</b>         | <b>220.10</b>          | <b>432.45</b>        |
|         | Less:<br>(i) Other Un-allocable Expenditure (net off)                           |                        |                        |                        |                        |                        |                      |
|         | <b>Total Profit Before Tax</b>  |                        |                        |                        |                        |                        |                      |
| 3       | <b>Segment Asset</b><br>(Segment assets - Segment liabilities)                  |                        |                        |                        |                        |                        |                      |
|         | (a) Property Development  | 163.51                 | 163.51                 | 161.25                 | 163.51                 | 161.25                 | 162.77               |
|         | (b) Speciality Chemicals  | 427.62                 | 513.46                 | 664.48                 | 427.62                 | 664.48                 | 717.58               |
|         | (c) Manufacturing and trading in Capacitors                                     | 1,046.41               | 1,066.78               | 988.11                 | 1,046.41               | 988.11                 | 1,058.21             |
|         | (d) Unallocated   | 1,442.58               | 1,444.77               | 1,145.68               | 1,442.58               | 1,145.68               | 1,297.95             |
|         | <b>Total</b>  | <b>3,080.13</b>        | <b>3,188.52</b>        | <b>2,959.52</b>        | <b>3,080.13</b>        | <b>2,959.52</b>        | <b>3,236.51</b>      |
| 4       | <b>Segment Liabilities</b><br>(a) Property Development                          | 106.28                 | 128.50                 | 96.82                  | 106.28                 | 96.82                  | 192.58               |
|         | (b) Speciality Chemicals  | 471.90                 | 510.86                 | 128.53                 | 471.90                 | 128.53                 | 456.57               |
|         | (c) Manufacturing and trading in Capacitors                                     | 81.70                  | 88.99                  | 400.51                 | 81.70                  | 400.51                 | 85.28                |
|         | (d) Unallocated   | (24.59)                | (32.71)                | (37.12)                | (24.59)                | (37.12)                | (11.68)              |
|         | (e) NCI   | 635.29                 | 695.64                 | 588.74                 | 635.29                 | 588.74                 | 722.75               |
|         | <b>Total</b>  |                        |                        |                        |                        |                        |                      |

6 The figures for the corresponding periods have been reclassified and/or regrouped, wherever necessary to confirm to the figures of the current period.

SIGNED FOR IDENTIFICATION  
BY  
  
NAYAN PARIKH & CO  
MUMBAI

  
P T KILACHAND  
(DIN - 00005516)  
Managing Director

Place: Mumbai  
Date : Nov 03, 2020