



12<sup>th</sup> February 2020

To, The Manager - Listing Department, The National Stock Exchange of India Ltd Exchange Plaza, 5th floor, Plot no. C/1, "G" Block, Bandra-Kurla Complex, Mumbai-400051  Symbol: APCOTEXIND	To, Manager-Department of Corporate Services BSE Limited Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001  Security Code: 523694
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Dear Sir,

**Sub: Outcome of Board Meeting in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

This is to inform you that the Board of Directors of the Company at its meeting held today i.e. on 12th February 2020, approved the following:

1. Audited financial results for the quarter ended 31<sup>st</sup> December 2019. Audited financial results for the quarter ended 31st December 2019 and Audit Report issued by SGD & Associates LLP, Statutory Auditor of the Company, is enclosed as **Annexure A**.
2. Declaration of Interim Dividend of Rs.3/- per equity share of Rs. 2/- each for the financial year 2019-20. Accordingly, the Board has fixed **25<sup>th</sup> February 2020** as record date for determining entitlement of members for the purpose of payment of interim dividend. The payment of interim dividend / dispatch of dividend warrants will be completed by **12<sup>th</sup> March 2020**
3. Appointment of Smt. Priyamvada Bhumkar as an Independent Director of the Company for a further period of 5 years (second term) effective from 1<sup>st</sup> November 2019, based on the recommendation of the Nomination and Remuneration Committee and subject to approval of the shareholders of the Company at the ensuing Annual General Meeting. The requisite details as per Regulation 30 of SEBI (LODR) Regulations, 2015 is enclosed as **Annexure B**.

It is affirmed that Smt. Priyamvada Bhumkar is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

4. Noted that the retirement of Shri YB Gadgil from the services of the company and he also relinquish his post of Executive Director with effect from close of business hours on 31<sup>st</sup> March 2020. He ceases to be a Director of the Company with effect from date mentioned herein above. The requisite details as per Regulation 30 of SEBI (LODR) Regulations, 2015 is enclosed as **Annexure C**

**apcotex industries limited**

REGD. OFFICE : 49-53, 3rd Floor, Mahavir Centre, Plot No. 77, Sector-17, Vashi, Navi Mumbai-400703, Maharashtra, India Tel:+91-22-27770900  
CORPORATE OFFICE : NKM International House, 178 Backbay Recl., B. M. Chinai Marg, Mumbai-400020, Maharashtra, India. Tel:+91-22-22838302/04  
TALOJA PLANT : Plot No. 3/1, MIDC Industrial Area, Talaja-410208, Dist-Raigad, Maharashtra, India. Tel:+91-22-27403500 Fax:+91-22-27412052  
CIN NO. L99999MH1986PLC039199 Website:www.apcotex.com



The Board Meeting started at 11.45 am and concluded at 2.30 pm.

You are requested to acknowledge the receipt and take the same on your records.

Thanking you.

Yours truly

For Apcotex Industries Limited

  
Authorised Signatory

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**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**

**INDEPENDENT AUDITOR'S REPORT**

**TO THE BOARD OF DIRECTORS OF  
APCOTEX INDUSTRIES LTD**

**Report on the audit of the Financial Results**

**Opinion**

We have audited the accompanying quarterly financial results of **Apcotex Industries Limited** ("the Company") for the quarter ended 31<sup>st</sup> December 2019 and the year to date results for the period from 01<sup>st</sup> April 2019 to 31<sup>st</sup> December 2019, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and total comprehensive income and other financial information for the quarter ended 31<sup>st</sup> December 2019 and of the net profit and total comprehensive income and other financial information for the year to date results for the period from 01<sup>st</sup> April 2019 to 31<sup>st</sup> December 2019.

**Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## **Management's Responsibilities for the Financial Results**

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net loss and total comprehensive income for the quarter ended 31<sup>st</sup> December 2019 and of the net profit and total comprehensive income for the year to date results for the period 01<sup>st</sup> April 2019 to 31<sup>st</sup> December 2019 and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' 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 preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the 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 Financial Results**

Our objectives are to obtain reasonable assurance about whether the 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 these financial results.

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

- Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal 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 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 financial results 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 financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

**For SGD & Associates LLP**  
**Chartered Accountants**  
**Firm's Registration No: W100188**

*Sharad Gupta*

**Sharad Gupta**  
**Partner**  
**Membership No.116560**  
**Mumbai: 12<sup>th</sup> February, 2020**  
**UDIN: 20116560AAAAAC5569**





**STATEMENT OF AUDITED FINANCIAL RESULTS FOR QUARTER AND NINE MONTHS ENDED 31 ST DECEMBER 2019**

Sr. No.	Particulars	Quarter ended			Nine Months Ended		Rs in Lakhs
		31 st Dec 2019 (Audited)	30 th Sept 2019 (Audited)	31 st Dec 2018 (Audited)	31 st Dec 2019 (Audited)	31 st Dec 2018 (Audited)	31st March 2019 (Audited)
1	<b>Income from operations</b>						
	(a) Revenue from Operations	10,956.41	12,405.74	16,413.31	38,035.41	47,392.50	62,566.65
	(b) Other Income	141.52	211.43	244.55	467.94	463.70	769.00
	<b>Total income (a+b)</b>	<b>11,097.93</b>	<b>12,617.17</b>	<b>16,657.86</b>	<b>38,503.35</b>	<b>47,856.20</b>	<b>63,335.65</b>
2	<b>Expenses</b>						
	(a) Cost of material consumed	9,455.16	8,087.35	11,732.37	27,195.21	33,965.76	44,489.65
	(b) Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress.	(1,165.28)	677.70	65.82	(360.82)	(385.95)	(188.70)
	(c) Employee benefits expenses	961.20	1,033.23	940.23	2,972.55	2,804.13	3,829.22
	(d) Finance costs	17.28	34.20	56.54	91.48	144.91	180.30
	(e) Depreciation and amortisation expenses	356.40	323.09	294.93	984.12	876.31	1,179.26
	(f) Other Expenses	1,656.26	1,917.68	1,991.93	5,679.92	5,646.55	7,678.91
	<b>Total expenses</b>	<b>11,281.02</b>	<b>12,073.25</b>	<b>15,081.82</b>	<b>36,562.46</b>	<b>43,051.71</b>	<b>57,168.64</b>
3	<b>Profit / (Loss) before Tax (1-2)</b>	<b>(183.09)</b>	<b>543.92</b>	<b>1,576.04</b>	<b>1,940.89</b>	<b>4,804.49</b>	<b>6,167.01</b>
4	<b>Tax expenses</b>						
	(a) Current Tax	(117.49)	7.01	570.00	390.52	1,684.00	2,081.00
	(b) Deferred Tax	76.56	174.53	8.44	194.23	(12.30)	(856.22)
	(c) Short/ (Excess) Tax provision for earlier years						281.75
	<b>Total Tax</b>	<b>(40.93)</b>	<b>181.54</b>	<b>578.44</b>	<b>584.75</b>	<b>1,671.70</b>	<b>1,506.53</b>
5	<b>Profit / (Loss) after Tax</b>	<b>(142.16)</b>	<b>362.38</b>	<b>997.60</b>	<b>1,356.14</b>	<b>3,132.79</b>	<b>4,660.48</b>
6	<b>Other Comprehensive Income</b>						
	Item that will not be reclassified to statement of profit and loss						
	Gain / (Loss) on fair valuation of investments	152.94	18.03	-	107.64	-	-
	Remeasurment of defined benefit plans	(9.18)	(9.18)	(7.44)	(27.54)	(26.19)	(36.71)
	Income tax relating to Other Comprehensive Income	3.21	2.31	2.60	8.73	9.11	12.79
	<b>Other Comprehensive Income</b>	<b>146.97</b>	<b>11.16</b>	<b>(4.84)</b>	<b>88.83</b>	<b>(17.08)</b>	<b>(23.92)</b>
7	<b>Total Comprehensive Income for the period</b>	<b>4.81</b>	<b>373.54</b>	<b>992.76</b>	<b>1,444.97</b>	<b>3,115.71</b>	<b>4,636.56</b>
8	Paid up equity share capital (face value Rs 2/- each) (Refer note no.6)	1,036.90	1,036.90	1,036.90	1,036.90	1,036.90	1,036.90
9	Other Equity						26,738.29
10	Earnings per Equity share Basic & Diluted ( in Rs.)	(0.27)	0.70	1.92	2.62	6.04	8.99

**Notes:**

- The above results have been prepared in accordance with Indian Accounting Standards (IND AS) notified u/s 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- Effective 1st April 2019, the Company has adopted Ind AS 116 -Leases. The adoption of this standard does not have any material impact to the financial results of the Company.
- The Company is engaged in the business of Synthetic Emulsion Polymers. As the Company has only one business segment, disclosure under Ind-AS 108, on Segment Reporting is not applicable.
- The above financial results were reviewed by the Audit Committee after audit by the statutory auditors of the Company and the Board of Directors approved the same at their meeting held on 12th February 2020.
- Effective from 1st April 2019, the company has reclassified non current investments from Fair Value Through Profit and Loss (FVTPL) to Fair Value Through Other Comprehensive Income (FVTOCI). Fair value changes of Rs.107.64 lakhs on these investments during the nine months ended on 31st December 2019 is recognised in Other Comprehensive income(OCI).
- The Equity share of face value of Rs 5/- each have been subdivided in to Equity share of face value of Rs 2/- each with effect from 5th July 2019, being record date in terms of Regulation 42 of SEBI ( Listing Obligation & Disclosure Requirements ) Regulations, 2015.
- The Board of Directors have recommended a Interim Dividend of Rs 3/- per share (on fully paid up share of Rs 2/- each) for financial year 2019-20.
- Previous period figures have been regrouped wherever necessary.

Place : Mumbai  
Date : 12 th February 2020.



For and behalf of the Board

*Atul C. Choksey*

Atul C. Choksey  
Chairman

**apcotex industries limited**

## Annexure – B

Sr. No.	Particulars	Details
1	Reason for change viz. appointment.	<p>The Board of Directors in their meeting held on 31<sup>st</sup> October 2014 have appointed Smt. Priyamvada Bhumkar as an (additional director) Independent Director for a period of 5 years (first term) and the shareholder approved the same at the 29<sup>th</sup> Annual General Meeting (AGM) held on 31<sup>st</sup> July 2015</p> <p>She has been appointed as an Independent Director for a further period of 5 years (second term)</p>
2	Date of appointment & term of Appointment.	<p>Smt. Priyamvada Bhumkar has been appointed as an Independent Director of the Company, effective from 1<sup>st</sup> November 2019 for a further period of 5 years (second term) at the meeting of Board of Directors held today i.e. on 12<sup>th</sup> February 2020.</p> <p>The appointment of Smt. Priyamvada Bhumkar for a further period of 5 years (second term) is subject to approval of shareholders in the ensuing AGM of the Company.</p>
3	Brief profile (in case of appointment);	<p>Smt. Priyamvada Bhumkar completed her graduation in Chemistry and MBA in Finance from Mumbai University and have 25 years of rich experience in the field of colour dispersions. She is Managing Director of Soujanya Color Pvt. Ltd., the well-known Indian colorant manufacturing company.</p>
4	Disclosure of relationships between directors (in case of appointment of a Director).	<p>Smt. Priyamvada Bhumkar is not related to any of the Directors of the Company.</p>

### apcotex industries limited

## Annexure – C

Sr. No.	Particulars	Details
1	Reason for change viz. resignation.	<p>Shri Y B Gadgil has been associated as an Executive Director of the Company since 6<sup>th</sup> February 2016.</p> <p>Retirement from the services of the Company and he also relinquish his post of Director / Executive Director with effect from close of business hours on 31<sup>st</sup> March 2020. He ceases to be a Director of the Company with effect from date mentioned herein above</p>
2	Date of cessation	With effect from close of business hours on 31st March 2020
3	Brief profile (in case of appointment);	Not Applicable
4	Disclosure of relationships between directors (in case of appointment of a Director).	Not Applicable

### apcotex industries limited