

Independent Auditor's Review Report on the Standalone Unaudited Quarterly and Year To Date Financial Results of Dhanuka Agritech Limited Pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

**To
The Board of Directors of
Dhanuka Agritech Limited**

We have reviewed the accompanying Statement of standalone unaudited financial results of **Dhanuka Agritech Limited** for the quarter ended December 31, 2021 and for the period April 01, 2021 to December 31, 2021 ('the "Statement"'), being submitted by the Company pursuant to regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations", 2015).

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 ("the Act") and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is 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.

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 applicable Indian Accounting Standards, and other recognized accounting practices and policies 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.

For S S Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

**YOGESH
KUMAR
GUPTA**

Digitally signed by YOGESH KUMAR GUPTA
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cn=SSKMEHTA & COMPANY

Yogesh K. Gupta

Partner

Membership No. 093214

UDIN: 22093214AAAAAB9967

Place: Faridabad

Date: February 2, 2022


STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2021

S.No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		(₹ In Lacs)					
I	Revenue from Operations	35,686.48	43,882.82	29,566.63	1,15,947.99	1,11,190.72	1,38,746.87
II	Other income	671.76	692.87	937.53	2,139.48	2,496.37	3,370.27
III	Total Revenue (I+II)	36,358.24	44,575.69	30,504.16	1,18,087.47	1,13,687.09	1,42,117.14
IV	Expenses						
a)	Cost of materials consumed	16,866.23	22,148.59	12,491.10	60,899.83	59,396.92	75,710.06
b)	Purchase of Stock In Trade	5,901.48	4,852.72	4,241.51	14,372.69	13,583.12	14,120.65
c)	Changes in inventories of finished goods, work-in progress and Stock In Trade	406.80	702.26	1,854.84	(289.22)	(2,393.01)	(3,499.59)
d)	Employee benefit expenses	2,979.03	3,383.20	2,670.84	9,297.16	9,199.09	11,826.69
e)	Finance costs	86.80	68.55	101.26	244.35	156.73	269.38
f)	Depreciation and amortisation expense	395.25	406.77	412.37	1,182.70	1,050.17	1,518.00
g)	Other expenses	4,030.42	4,579.77	3,286.60	11,837.68	10,956.17	13,678.28
	Total Expenses	30,666.01	36,141.86	25,058.52	97,545.19	91,949.19	1,13,623.47
V	Profit/(Loss) Before Exceptional Items and Tax (III-IV)	5,692.23	8,433.83	5,445.64	20,542.28	21,737.90	28,493.67
VI	Exceptional Items	-	-	-	-	-	-
VII	Profit/(Loss) Before Tax (V-VI)	5,692.23	8,433.83	5,445.64	20,542.28	21,737.90	28,493.67
VIII	Tax expenses						
a)	Current Tax	1,422.08	2,136.84	1,295.13	5,216.13	5,354.34	7,142.10
b)	Tax of earlier year provided / (written back)	-	-	-	-	-	-
c)	Deferred Tax	18.45	(40.65)	146.48	(123.27)	191.89	295.56
IX	Profit/(loss) for the period (VII-VIII)	4,251.70	6,337.64	4,004.03	15,449.42	16,191.67	21,056.01
X	Other Comprehensive Income						
A	(i) Items that will not be reclassified to profit or loss	31.25	31.25	(100.00)	93.75	(300.00)	129.82
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
B	(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income /(Loss) for the period	31.25	31.25	(100.00)	93.75	(300.00)	129.82
XI	Total Comprehensive Income for the period (IX+X)	4,282.95	6,368.89	3,904.03	15,543.17	15,891.67	21,185.83
XII	Paid-up equity share capital [Face value of ₹ 2 per share]	931.57	931.57	931.57	931.57	931.57	931.57
XIII	Other Equity as per audited Balance Sheet						78,699.08
XIV	Earning per share* (in ₹)						
a)	Basic EPS	9.13	13.61	8.54	33.17	34.16	44.61
b)	Diluted EPS	9.13	13.61	8.54	33.17	34.16	44.61

See accompanying notes to the financial results

*Actuals for the quarter and nine months not annualised

M.K.D.



Notes:

- 1 The above Unaudited Financial Results were reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their Meeting held on 2nd February, 2022. The Statutory Auditors of the Company have conducted a "Limited Review" of the above financial results for the quarter and nine months ended 31st December, 2021
- 2 Financial Results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 3 The demand of Company's products depends on monsoon, pest infestation and crop patterns. Hence there may be variations in the Results from one period to another period.
- 4 The Company has only one reportable Business segment viz. "Agro Chemicals"
- 5 There was a fire incident in the manufacturing unit situated at Udhampur, J&K on 27th May, 2021. The Company has filed insurance claim against loss of Inventory including GST, however claim in respect of loss of tangible assets is yet to be filed. Inventory loss (including GST) worth Rs. 48.16 crores has been recognized in books of accounts and similar increase has been recorded under claim receivable head, as the management is fully confident of recovering the said amount from the Insurance Company. Company is in process of assessing the loss towards other tangible assets and the same shall be recognized once the assessment will be completed, however management expects to recover the entire loss related to the same from the insurance company.
- 6 Dhanuka Agritech Limited has entered into Shareholders' Agreement and Share Subscription Agreement ("said Agreements") with M/s IoTechWorld Avigation Private Limited ("IoTech") on 11th August, 2021 to invest a total amount of Rs 30 Crores (Rupees Thirty Crores Only) in IoTech in the form of subscription of Compulsory Convertible Preference Shares ("CCPS") in two tranches. Out of Rs. 30 Crores (Rupees Thirty Crore), Rs. 20 Crores (Rupees Twenty Crore) has been already invested by the Company on 3rd September 2021.
- 7 The Board of Directors in their Meeting held on 2nd February, 2022 has declared Interim Dividend of Rs. 8 per Equity Share (400% on Face Value of Rs.2 per Equity Share) amounting to Rs. 3726.27 Lakhs payable to the Shareholders whose name appears in the Register of Members as on the record date.
- 8 The previous period figures have been regrouped/ rearranged/ reclassified wherever necessary.
- 9 The Results can also be viewed at our website www.dhanuka.com and on the website of BSE & NSE where the Company's shares are listed i.e. at www.bseindia.com and www.nseindia.com respectively. Any query from investors can be sent on email at investors@dhanuka.com

Place : Gurugram (Haryana)
Dated : 2nd February, 2022



For Dhanuka Agritech Ltd.


(M.K. Dhanuka)
Managing Director
DIN : 00628039

S.S. KOTHARI MEHTA
& COMPANY
CHARTERED ACCOUNTANTS

Independent Auditor's Review Report on Consolidated Unaudited Quarterly and Year To Date Financial Results of Dhanuka Agritech Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
**The Board of Directors of
Dhanuka Agritech Limited**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Dhanuka Agritech Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") , for the quarter ended December 31, 2021 and for the period April 01, 2021 to December 31, 2021 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015").
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 Listing Regulations, 2015, to the extent applicable.

4. The Statement includes the results of the following entities:

Subsidiaries

- i. Dhanuka Agri-solutions Private Limited
- ii. Dhanuka Chemicals Private Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the

S S KOTHARI MEHTA
& COMPANY
CHARTERED ACCOUNTANTS

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 Listing Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The Statement include interim financial results of two subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs. Nil and Rs. Nil, total net profit after tax of Rs. (0.19) lakhs and Rs. (0.20) lakhs and total comprehensive income of Rs. (0.19) lakhs and Rs. (0.20) lakhs for the quarter ended December 31, 2021 and for the period from April 01, 2021 to December 31, 2021 respectively as considered in the Statement. According to the information and explanations given to us by the management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For S S Kothari Mehta & Company
Chartered Accountants
Firm Reg. No. – 000756N

**YOGESH
KUMAR
GUPTA**

Digitally signed by YOGESH KUMAR GUPTA
DN: cn=YOGESH KUMAR GUPTA, o=S S KOTHARI MEHTA & COMPANY, ou=CHARTERED ACCOUNTANTS, email=yogesh.kumar.gupta@sskmin.com, c=IN

Yogesh K Gupta
Partner
Membership No. 093214
UDIN: 22093214AAAAAC3492



Place: Faridabad
Date: February 02, 2022

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2021

		Quarter Ended			Nine Months Ended		Year Ended
		(₹ In Lacs)					
S.No	Particulars	31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from Operations	35,686.48	43,882.82	29,566.63	1,15,947.99	1,11,190.72	1,38,746.87
II	Other income	671.76	692.87	937.53	2,139.48	2,496.37	3,370.27
III	Total Revenue (I+II)	36,358.24	44,575.69	30,504.16	1,18,087.47	1,13,687.09	1,42,117.14
IV	Expenses						
a)	Cost of materials consumed	16,866.23	22,148.59	12,491.10	60,899.83	59,396.92	75,710.06
b)	Purchase of Stock In Trade	5,901.48	4,852.72	4,241.51	14,372.69	13,583.12	14,120.65
c)	Changes in inventories of finished goods, work-in progress and Stock In Trade	406.80	702.26	1,854.84	(289.22)	(2,393.01)	(3,499.59)
d)	Employee benefit expenses	2,979.03	3,383.20	2,670.84	9,297.16	9,199.09	11,826.69
e)	Finance costs	86.80	68.55	101.26	244.35	156.73	269.38
f)	Depreciation and amortisation expense	395.25	406.77	412.37	1,182.70	1,050.17	1,518.00
g)	Other expenses	4,030.61	4,579.77	3,286.60	11,837.88	10,956.17	13,678.31
	Total Expenses	30,666.20	36,141.86	25,058.52	97,545.39	91,949.19	1,13,623.50
V	Profit/(Loss) Before Exceptional Items and Tax (III-IV)	5,692.04	8,433.83	5,445.64	20,542.08	21,737.90	28,493.64
VI	Exceptional items	-	-	-	-	-	-
VII	Profit/(Loss) Before Tax (V-VI)	5,692.04	8,433.83	5,445.64	20,542.08	21,737.90	28,493.64
VIII	Tax expenses						
a)	Current Tax	1,422.08	2,136.84	1,295.13	5,216.13	5,354.34	7,142.10
b)	Tax of earlier year provided / (written back)	-	-	-	-	-	-
c)	Deferred Tax	18.45	(40.65)	146.48	(123.27)	191.89	295.56
IX	Profit/(loss) for the period (VII-VIII)	4,251.51	6,337.64	4,004.03	15,449.22	16,191.67	21,055.98
X	Other Comprehensive Income						
A	(i) Items that will not be reclassified to profit or loss	31.25	31.25	(100.00)	93.75	(300.00)	129.82
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
B	(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income /(Loss) for the period	31.25	31.25	(100.00)	93.75	(300.00)	129.82
XI	Total Comprehensive Income for the period (IX+X)	4,282.76	6,368.89	3,904.03	15,542.97	15,891.67	21,185.80
XII	Paid-up equity share capital [Face value of ₹ 2 per share]	931.57	931.57	931.57	931.57	931.57	931.57
XIII	Other Equity as per audited Balance Sheet						78,687.40
XIV	Earning per share* (in ₹)						
a)	Basic EPS	9.13	13.61	8.54	33.17	34.16	44.61
b)	Diluted EPS	9.13	13.61	8.54	33.17	34.16	44.61

See accompanying notes to the financial results

*Actuals for the quarter and nine months not annualised

Notes:

- 1 The above Unaudited Financial Results were reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their Meeting held on 2nd February, 2022. The Statutory Auditors of the Company have conducted a "Limited Review" of the above financial results for the quarter and nine months ended 31st December, 2021
- 2 The Unaudited Financial Results of overseas non material subsidiary has been consolidated on the basis of un-reviewed financial statement prepared by the management of the subsidiary.
- 3 Financial Results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 4 The demand of Group's products depends on monsoon, pest infestation and crop patterns. Hence there may be variations in the Results from one period to another period.
- 5 The Group has only one reportable Business segment viz. "Agro Chemicals"
- 6 There was a fire incident in the manufacturing unit situated at Udhampur, J&K on 27th May, 2021. The Company has filed insurance claim against loss of Inventory including GST, however claim in respect of loss of tangible assets is yet to be filed. Inventory loss (including GST) worth Rs. 48.16 crores has been recognized in books of accounts and similar increase has been recorded under claim receivable head, as the management is fully confident of recovering the said amount from the Insurance Company. Company is in process of assessing the loss towards other tangible assets and the same shall be recognized once the assessment will be completed, however management expects to recover the entire loss related to the same from the insurance company.
- 7 Dhanuka Agri-Solutions Pvt. Ltd., Wholly Owned Subsidiary of Dhanuka Agritech Ltd. was incorporated on 17th July, 2011 and operations have not yet been started. Further the Board of Directors of Dhanuka Agritech Limited in its meeting held on 02nd February, 2021 has approved the dissolution/ liquidation of this wholly owned subsidiary
- 8 The Company has incorporated a Wholly-owned Subsidiary named Dhanuka Chemicals Private Limited "DCPL" on 21st June 2021, as per the provisions of the Companies Act, 2013. The main object of DCPL includes the formulation, manufacturing and trading in Agrochemicals and other related products. There were no operations/activities has been started during the nine months ended on 31st December 2021.
- 9 Dhanuka Agritech Limited has entered into Shareholders' Agreement and Share Subscription Agreement ("said Agreements") with M/s IoTechWorld Avigation Private Limited ("IoTech") on 11th August, 2021 to invest a total amount of Rs 30 Crores (Rupees Thirty Crores Only) in IoTech in the form of subscription of Compulsory Convertible Preference Shares ("CCPS") in two tranches. Out of Rs. 30 Crores (Rupees Thirty Crore), Rs. 20 Crores (Rupees Twenty Crore) has been already invested by the Company on 3rd September 2021.
- 10 The Board of Directors in their Meeting held on 2nd February, 2022 has declared Interim Dividend of Rs. 8 per Equity Share (400% on Face Value of Rs.2 per Equity Share) amounting to Rs. 3726.27 Lakhs payable to the Shareholders whose name appears in the Register of Members as on the record date.
- 11 The previous period figures have been regrouped/ rearranged/ reclassified wherever necessary.
- 12 The Results can also be viewed at our website www.dhanuka.com and on the website of BSE & NSE where the Company's shares are listed i.e. at www.bseindia.com and www.nseindia.com respectively. Any query from investors can be sent on email at investors@dhanuka.com

Place : Gurugram (Haryana)
Dated : 2nd February, 2022



For Dhanuka Agritech Ltd.

(M.K. Dhanuka)
Managing Director
DIN : 00628039