

**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: 11.08.2020**

**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 ended June 30, 2020**

We are sending herewith Statement of Standalone and Consolidated Unaudited Financial Results along with the respective Limited Review Reports for the Quarter ended June 30, 2020 from the Statutory Auditors, M/s. Nayan Parikh & Co., taken on record by the Board of Directors in their meeting held on 11<sup>th</sup> August, 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 unaudited standalone quarterly financial results of Polychem Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors  
**Polychem Limited**  
Mumbai

1. We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of Polychem Limited ("the Company") for the quarter ended June 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. Attention is drawn to the fact that the figures for the quarter ended March 31, 2020 as reported in this statement are the balancing figures between audited figures in respect of full previous financial year and the published year to date figures up to the end of third quarter of the previous financial year.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 'Interim Financial Reporting' prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report 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. 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 provide 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 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Nayan Parikh & Co.**

Chartered Accountants  
Firm Registration No. 107023W



*K.Y. Narayana*  
K.Y. Narayana  
Partner

Membership No. 060639  
UDIN: 20060639AAAFH6174

Place: Mumbai

Dated this 11<sup>th</sup> day of August, 2020

**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

**Statement of Standalone Unaudited Financial Results For The Quarter Ended June 30, 2020**

(Rs. in Lakhs)

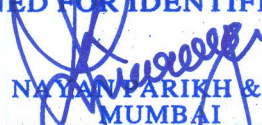
Sr. No.	Particulars	Quarter ended on			Year ended on
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		Unaudited	Audited	Unaudited	Audited
1	<b>Revenue from Operations</b>				
(a)	Net Sales	141.50	510.64	573.78	2,240.92
(b)	Other Operating Income	2.24	17.63	11.92	59.89
2	Other Income	48.04	7.90	16.84	75.36
3	<b>Total Income (1+2)</b>	<b>191.78</b>	<b>536.17</b>	<b>602.54</b>	<b>2,376.17</b>
4	<b>Expenses</b>				
(a)	Cost of materials consumed	68.78	253.34	311.28	1,160.97
(b)	Changes in inventories of finished goods , work-in-progress and stock- in-trade	(6.07)	0.91	8.17	15.30
(c)	Processing charges	21.66	66.13	72.15	284.72
(d)	Employee benefits expense	69.88	80.37	62.03	289.80
(e)	Finance Costs	0.49	0.38	-	0.91
(f)	Depreciation and amortisation expense	11.08	13.00	7.56	51.01
(g)	Other expenses	20.91	56.73	70.54	262.68
	<b>Total Expenses</b>	<b>186.73</b>	<b>470.86</b>	<b>531.73</b>	<b>2,065.39</b>
5	Profit / (Loss) before Tax (3-4)	5.05	65.31	70.81	310.78
6	Tax expenses				
	Current Tax (for the year)	-	18.50	15.50	70.00
	Deferred Tax	0.04	0.61	0.15	(0.16)
7	Net Profit / (Loss) for the period after Tax (5-6)	5.01	46.20	55.16	240.94
8	Other Comprehensive Income				
	Items that will not be re-classified to Profit or Loss :				
	Remeasurements of post employment benefit	(1.58)	(4.66)	(0.56)	(6.33)
	Income tax relating to these items	0.40	1.17	0.14	1.59
9	<b>Total Comprehensive Income for the period (7-8)</b>	<b>3.83</b>	<b>42.71</b>	<b>54.74</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
11	Other Equity	-	-	-	1,976.62
12	Earning Per Share - (Basic and diluted) (Rs.)*	1.24	11.44	13.65	59.63

\*EPS is not annualised for the Quarter ended June 30, 2020, Quarter March 31, 2020 and Quarter June 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 August 11, 2020.
- The Statutory auditor of the Company have conducted limited review of the financial results for the quarter ended June 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.
- The operations and financial results for the quarter have been adversely impacted by the lockdown imposed to contain the spread of COVID-19. The operations gradually resumed with requisite precautions during the quarter with limited availability of workforce and disrupted supply chain. The results for the quarter are therefore not comparable with those for the previous quarter. The company has assessed the impact of pandemic on its financial results/position based on the internal and external information available 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..
- 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.
- The financial figures for the quarter ended March 31, 2020 are the balancing figures between audited figures in respect of full financial year ended on March 31, 2020 and the published year to date unaudited figures upto the third quarter of the year ended March 31, 2020.
- Previous quarter's/year's figures have been regrouped wherever necessary to confirm to those of current quarter's/year's classification.

Place: Mumbai  
Date : Aug 11, 2020

SIGNED FOR IDENTIFICATION  
BY  
  
NAYAN PARIKH & CO  
MUMBAI



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 ended on June 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**  
Mumbai

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") for the quarter ended June 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. Attention is drawn to the fact that the figures for the quarter ended March 31, 2020 as reported in this statement are the balancing figures between audited figures in respect of full previous financial year and the published year to date figures up to the end of third quarter of the previous financial year.
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. 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 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 results of the one subsidiary Gujarat Poly Electronic Limited.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditor 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 results of one subsidiary included in the unaudited consolidated financial results, whose unaudited standalone financial results reflect total revenues of Rs.134.35 lakhs, total net profit/(loss) after tax of Rs.(45.13) lakhs and total comprehensive income/(loss) of Rs.(45.72) lakhs for the quarter ended June 30, 2020 as considered in the unaudited consolidated financial results. This unaudited standalone financial results 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 reports 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.

**For Nayan Parikh & Co.**

Chartered Accountants

Firm Registration No. 107023W



**K.Y. Narayana**

Partner

Membership No. 060639

UDIN: 20060639AAAAFI9893

Place: Mumbai

Dated this 11<sup>th</sup> day of August, 2020

**Statement of Unaudited Consolidated Financial Results For The Quarter Ended June 30, 2020**

		(Rs. in Lakhs)			
Sr. No.	Particulars	Quarter ended on			Year ended on
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		Unaudited	Audited	Unaudited	Audited
1	<b>Revenue from Operations</b>				
(a)	Net Sales	272.28	858.28	946.76	3,600.47
(b)	Other Operating Income	3.03	17.24	13.07	63.14
2	Other Income	53.09	40.44	15.96	111.61
3	<b>Total Income (1+2)</b>	<b>328.40</b>	<b>915.96</b>	<b>975.79</b>	<b>3,775.22</b>
4	<b>Expenses</b>				
(a)	Cost of materials consumed	69.02	253.98	312.31	1,163.82
(b)	Purchase of stock-in-trade	152.51	186.09	194.01	763.63
(c)	Changes in inventories of finished goods , work-in-progress and stock- in-trade	(80.52)	26.23	21.71	56.33
(d)	Processing charges	21.66	66.14	72.15	284.72
(e)	Employee benefits expense	136.22	149.17	139.04	583.15
(f)	Finance Costs	0.64	0.62	-	1.32
(g)	Depreciation and amortisation expense	16.53	17.33	10.71	70.17
(h)	Other expenses	52.41	128.66	102.28	419.63
	<b>Total Expenses</b>	<b>368.47</b>	<b>828.22</b>	<b>852.21</b>	<b>3,342.77</b>
5	Profit / (Loss) before Tax (3-4)	(40.07)	87.74	123.58	432.45
6	Tax expenses				
	Current Tax (for the year)	-	18.50	15.50	70.00
	Deferred Tax	0.04	0.61	0.15	(0.16)
7	Net Profit / (Loss) for the period after Tax (5-6)	(40.11)	68.63	107.93	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)	(2.17)	(7.43)	(0.98)	(10.37)
	Income tax relating to items that will not be reclassified to profit or loss	0.40	1.17	0.14	1.59
	Total Other Comprehensive Income / (Loss) (after Tax)	(1.77)	(6.26)	(0.84)	(8.78)
9	<b>Total Comprehensive Income for the period (7-8)</b>	<b>(41.88)</b>	<b>62.37</b>	<b>107.09</b>	<b>353.83</b>
10	<b>Profit / (Loss) attributable to:</b>				
	Owners of the parent	(19.35)	58.31	83.65	306.63
	Non controlling interest	(20.76)	10.32	24.28	55.98
	<b>Other Comprehensive Income attributable to:</b>				
	Owners of the parent	(1.50)	(4.98)	(0.65)	(6.92)
	Non controlling interest	(0.27)	(1.28)	(0.19)	(1.86)
	<b>Total Comprehensive Income attributable to:</b>				
	Owners of the parent	(20.85)	53.33	83.00	299.71
	Non controlling interest	(21.03)	9.04	24.09	54.12
11	Paid-up Equity Share Capital (Face value Rs. 10/- per share)	40.40	40.40	40.40	40.40
12	Other Equity	-	-	-	2,473.36
13	Earning Per Share - (Basic and diluted) (Rs.)*	(4.79)	14.43	20.70	75.89

\*EPS is not annualised for the Quarter ended June 30,2020, March 31, 2020 and Quarter June 30,2019.

**Notes :**

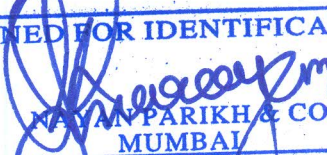
- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on Aug 11, 2020.
- 2 The Statutory auditor of the Company have conducted limited review of the financial results for the quarter ended June 30,2020.
- 3 These results have been 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 The operations and financial results for the quarter have been adversely impacted by the lockdown imposed to contain the spread of COVID-19. The operations gradually resumed with requisite precautions during the quarter with limited availability of workforce and disrupted supply chain. The results for the quarter are therefore not comparable with those for the previous quarter. The Group has assessed the impact of pandemic on its financial results/position based on the internal and external information available 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.
- 5 Segment information  
 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

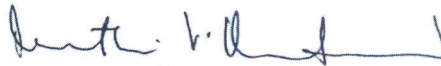
**Consolidated Statement of Unaudited Segment Information for the Quarter Ended June 30, 2020**

Sr. No.	Particulars	(Rs. in Lakhs)			
		Quarter ended on		Year ended on	
		30-Jun-20 Unaudited	31-Mar-20 Audited	30-Jun-19 Unaudited	31-Mar-20 Audited
1	<b>Segment Revenue</b> (net sale/income from each segment)				
	(a) Property Development	-	-	-	-
	(b) Specialty Chemicals	141.50	510.64	573.78	2,240.92
	(c) Manufacturing and trading in Capacitors	130.78	347.63	372.97	1,359.55
	(d) Unallocated	56.12	57.69	29.04	174.75
	<b>Total</b>	328.40	915.96	975.79	3,775.22
	Less: Inter Segment Revenue	-	-	-	-
	<b>Revenue from operations</b>	328.40	915.96	975.79	3,775.22
2	<b>Segment Results</b> Profit/Loss before tax and interest from each segment				
	(a) Property Development	-	-	-	-
	(b) Specialty Chemicals	25.89	144.02	132.41	580.05
	(c) Manufacturing and trading in Capacitors	(45.13)	22.42	53.73	122.63
	(d) Unallocated	-	-	-	-
	<b>Total</b>	(19.24)	166.44	186.14	702.68
	Less:				
	(i) Other Un-allocable Expenditure (net off)	20.83	78.70	62.56	270.23
	<b>Total Profit Before Tax</b>	(40.07)	87.74	123.58	432.45
3	<b>Segment Asset</b> (Segment assets - Segment liabilities)				
	(a) Property Development	163.51	162.77	161.25	162.77
	(b) Specialty Chemicals	513.46	717.58	662.58	717.58
	(c) Manufacturing and trading in Capacitors	1,066.78	1,058.21	968.80	1,058.21
	(d) Unallocated	1,444.77	1,297.95	1,101.07	1,297.95
	<b>Total</b>	3,188.52	3,236.51	2,893.70	3,236.51
4	<b>Segment Liabilities</b>				
	(a) Property Development	-	-	-	-
	(b) Specialty Chemicals	128.50	192.58	128.75	192.58
	(c) Manufacturing and trading in Capacitors	510.86	456.57	432.44	456.57
	(d) Unallocated	88.99	85.28	65.00	85.28
	(e) NCI	(32.71)	(11.68)	(41.72)	(11.68)
	<b>Total</b>	695.64	722.75	584.47	722.75

- 6 The financial figures for the quarter ended March 31, 2020 are the balancing figures between audited figures in respect of full financial year ended on March 31, 2020 and the published year to date unaudited figures upto the third quarter of the year ended March 31, 2020.
- 7 Previous quarter's/year's figures have been regrouped wherever necessary to confirm to those of current quarter's/year's classification.

Place: Mumbai  
Date : Aug 11, 2020

SIGNED FOR IDENTIFICATION  
BY   
NAYAN PARIKH & CO  
MUMBAI

  
P T KILACHAND  
(DIN - 00005516)  
Managing Director