

# POLYCHEM LIMITED

REGD. OFFICE: 7, JAMSHEDJI TATA ROAD, CHURCHGATE RECLAMATION, MUMBAI-400 020.

HO:MD:134/2018

30.05.2018



TELEPHONE : 91 22 2282 0048

FAX : 91 22 2285 0606

URL : <http://www.polychemltd.com>

EMAIL : [polychemltd@kilachand.com](mailto:polychemltd@kilachand.com)

CIN : L24100MH1955PLC009663

Bombay Stock Exchange Ltd.  
Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai 400 001.

## Company Code. - 506605

Dear Sirs,

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

1. The Board of Directors of their Company at their meeting held today, have inter alia, approved the following:
  - a) Audited Standalone financial results of the Company for the quarter and year ended 31<sup>st</sup> March, 2018.
  - b) Audited Consolidated Financial Results of Polychem Limited and its subsidiary Gujarat Poly Electronics Ltd for the year ended 31.03.2018.
  
2. Accordingly, please find enclosed the following:
  - a) Audited Standalone financial results of the Company for the quarter and year ended 31<sup>st</sup> March, 2018 and Auditors Report thereon.
  - b) Audited Consolidated Financial Results of Polychem Limited and its subsidiary Gujarat Poly Electronics Ltd for the year ended 31.03.2018 and Auditors Report thereon.
  - c) Declaration under regulation 33(3)(d) of SEBI (LODR) Regulations, 2015 regarding unmodified opinion of Auditors in respect of standalone and consolidated financial results of the company for the quarter and year ended 31<sup>st</sup> March, 2018 and consolidated financial results of the Company and its subsidiary for the year ended 31.03.2018.

This is for your information and record.

Yours faithfully,  
For **Polychem Limited**

**A. H. MEHTA**  
DIN 00005523  
DY. MANAGING DIRECTOR

Encl:a/a

# POLYCHEM LIMITED

REGD. OFFICE 7 JAMSHEDJI TATA ROAD, CHURCHGATE RECLAMATION, MUMBAI-400 020.



TELEPHONE : 91 22 2282 0048  
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CIN : L24100MH1955PLC009663

HO:MD:131/2018

30<sup>th</sup> May, 2018

Bombay Stock Exchange Ltd.  
Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai 400 001.

**Company Code. - 506605**

Dear Sirs,

**Sub: Declaration for Audit Reports with unmodified opinion(s).**

In terms of second proviso to Regulation 33 (3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is declared that the Auditor has expressed an unmodified opinion(s) on the audited standalone and consolidated financial results of the Company for the quarter and year ended 31<sup>st</sup> March, 2018.

This is for your information and record.

Yours faithfully,  
For **Polychem Limited**

**A. H. MEHTA**  
**DIN 00005523**  
**DY. 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

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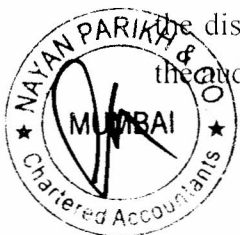
## Auditor's Report on Annual Standalone Financial Results of Polychem Limited pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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To  
The Board of Directors  
Polychem Limited,  
Mumbai

1. We have audited the accompanying statement of financial results which includes standalone financial results of Polychem Limited ("the Company") for quarter and the year ended on March 31, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circular No. CIR / CFD / FAC / 62 / 2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone financial statements which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") 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 an opinion on these standalone financial results based on our audit of such financial statements. Attention is drawn to the fact that the figures for the quarter ended March 31, 2018 as reported in these financial results are the balancing figures in respect of the year ended March 31, 2018 and published year to date figures up to the end of the third quarter of the current financial year. The figures up to the end of the third quarter are only reviewed and not subjected to audit.
3. We conducted our audit in accordance with auditing standard referred to in the Companies Act, 2013. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgement, including assessment of the risks of the material misstatements of



the standalone financial statements, whether due to fraud or error. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, the statement:
- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular bearing nos. CIR / CFD / FAC / 62 / 2016 dated July 5, 2016 in this regards; and
  - (ii) gives a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India of the net loss, total comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2018.

**For NAYAN PARIKH & CO.**  
Chartered Accountants  
Firm Registration No. 107023W



A handwritten signature in black ink, appearing to read "K.Y. Naryana".

**K.Y. Naryana**  
Partner

Place : Mumbai  
Dated : May 30, 2018

Membership No. 060639

# 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

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## Auditor's Report on Annual Consolidated Financial Results of Polychem Limited pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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To  
Board of Directors  
Polychem Limited  
Mumbai

1. We have audited the accompanying statement of financial results which includes consolidated financial results of **Polychem Limited** ("the Company") and its subsidiary (the Company and its subsidiary together referred to as "the Group") for the year ended March 31, 2018 ("the statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related consolidated financial statements which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") 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 an opinion on the Statement based on our audit of such consolidated financial statements.
3. We conducted our audit in accordance with the auditing standards referred to in the Companies Act, 2013. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including assessment of the risks of the material misstatements of the consolidated financial statements, whether due to fraud or error. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that the



audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of other auditor on standalone financial statement and other financial information of subsidiary referred to in Para 5 below, Statement:

(a) includes the financial results for the year ended March 31, 2018 of the following entity:

Subsidiary :

Gujarat Poly Electronics Limited (formerly known as Gujarat Poly AVX Electronics Limited)

(b) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/ FAC/62/2016 dated July 5, 2016 in this regard; and

(c) gives a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India of the consolidated net profit, consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2018.

5. We did not audit the standalone financial statements of Gujarat Poly Electronics Limited (formerly known as Gujarat Poly AVX Electronics Limited) included in the consolidated financial results, whose financial statements reflects total assets of Rs.896.82 lakhs as at March 31, 2018; as well as the total revenue of Rs.1449.63 lakhs for the year ended March 31, 2018 respectively, as considered in the consolidated financial statements. These financial statements and other financial information have been audited by other auditor whose report has been furnished to us by the management, and our opinion on the statement, is in so far as it relates to the amount and disclosures included in respect of these subsidiary is based solely on the report of such other auditor.

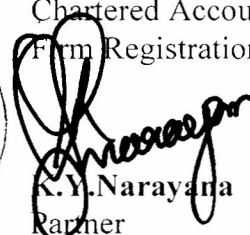
Our opinion is not qualified in respect of this matter.

**For NAYAN PARIKH & Co.**

Chartered Accountants

Firm Registration No.107023W



  
K.Y. Narayana  
Partner

Membership No: 060639

Place : Mumbai

Dated: May 30, 2018

**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 Audited Standalone and Consolidated Financial Results For The Quarter and Year Ended March 31, 2018**

(Rs. in Lakhs)

Sr. No.	Particulars	Standalone					Consolidated	
		Quarter ended on			Year ended on		Year ended on	
		31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
		Audited (Refer Note No. 3)	Unaudited	Audited (Refer Note No. 3)	Audited	Audited	Audited	Audited
1	<b>Revenue from Operations</b>							
(a)	Net Sales (including excise duty)	402.74	391.87	358.22	1,636.05	1,579.15	3,065.45	2,800.55
(b)	Other Operating Income	11.12	6.71	7.39	38.41	33.96	57.95	46.82
2	Other Income	18.24	17.41	28.03	84.21	145.84	33.87	94.25
3	<b>Total Income (1+2)</b>	<b>432.10</b>	<b>415.99</b>	<b>393.64</b>	<b>1,758.67</b>	<b>1,758.95</b>	<b>3,157.27</b>	<b>2,941.62</b>
4	<b>Expenses</b>							
(a)	Cost of materials consumed	263.97	261.00	219.18	1,029.29	859.05	1,036.46	867.21
(b)	Purchase of stock-in-trade	-	-	-	-	-	866.12	818.39
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	9.11	2.49	1.72	4.23	9.03	17.71	(20.34)
(d)	Excise Duty	-	-	39.29	47.07	173.88	48.06	177.40
(e)	Processing charges	53.04	54.62	46.27	219.15	203.36	222.77	208.10
(f)	Employee benefits expense	58.77	53.80	59.44	217.84	203.41	449.19	412.98
(g)	Finance Costs	-	-	-	-	-	-	0.13
(h)	Depreciation and amortisation expense	5.25	5.47	4.83	19.20	17.74	29.19	29.65
(i)	Other expenses	55.67	59.81	34.60	232.27	228.86	431.63	388.90
	<b>Total Expenses</b>	<b>445.81</b>	<b>437.19</b>	<b>405.33</b>	<b>1,769.05</b>	<b>1,695.33</b>	<b>3,101.13</b>	<b>2,882.42</b>
5	Profit / (Loss) before Tax (3-4)	(13.72)	(21.20)	(11.69)	(10.38)	63.62	56.14	59.20
6	Tax expenses							
	Current Tax (for the year)	-	(5.00)	(3.00)	-	10.00	-	10.00
	Current Tax (relating to prior years)	1.27	0.25	-	0.76	(25.85)	0.76	(25.85)
	Deferred Tax	(0.36)	(0.28)	(2.99)	2.71	(3.44)	2.71	(3.44)
7	Net Profit / (Loss) for the period after Tax (5-6)	(14.61)	(16.17)	(5.70)	(13.85)	82.91	52.67	78.50
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)	(3.71)	0.52	(2.13)	(2.16)	(5.73)	(0.07)	(9.99)
	Income tax relating to items that will not be reclassified to profit or loss							
9	<b>Total Comprehensive Income for the period (7-8)</b>	<b>(10.91)</b>	<b>(16.69)</b>	<b>(7.83)</b>	<b>(16.01)</b>	<b>77.18</b>	<b>52.60</b>	<b>68.51</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	40.40
11	Other Equity	-	-	-	1,685.31	1,713.48	1,827.67	1,818.49
12	Earning Per Share - (Basic, diluted and not annualised) (Rs.)	(3.62)	(4.00)	(1.41)	(3.43)	20.52	13.04	19.43

**Statement of Audited Segment Information for the Year ended March 31, 2018**

(Rs. in Lakhs)

	Particulars	Year ended	
		31-Mar-18	31-Mar-17
		Audited	Audited
1	<b>Segment Revenue</b> (net sale/income from each segment)		
	(a) Property Development	-	-
	(b) Speciality Chemicals	1,636.05	1,579.15
	(c) Manufacturing and trading in Capacitors	1,428.41	1,217.97
	(d) Unallocated	92.81	144.50
	<b>Revenue from operations</b>	<b>3,157.27</b>	<b>2,941.62</b>
2	<b>Segment Results</b> Profit/Loss before tax and interest from each segment		
	(a) Property Development	-	-
	(b) Speciality Chemicals	189.15	195.01
	(c) Manufacturing and trading in Capacitors	66.53	47.08
	(d) Unallocated	-	-
	<b>Total</b>	<b>255.68</b>	<b>242.09</b>
	Less:		
	(i) Other Un-allocable Expenditure (net off)	199.54	182.89
	<b>Total Profit Before Tax</b>	<b>56.14</b>	<b>59.20</b>
3	<b>Segment Asset</b> (Segment assets - Segment liabilities)		
	(a) Property Development	158.80	157.30
	(b) Speciality Chemicals	562.09	477.69
	(c) Manufacturing and trading in Capacitors	896.82	863.43
	(d) Unallocated	628.46	664.51
	<b>Total</b>	<b>2,246.17</b>	<b>2,162.93</b>
	<b>Segment Liabilities</b>		
	(a) Property Development	-	-
	(b) Speciality Chemicals	138.23	102.36
	(c) Manufacturing and trading in Capacitors	510.79	490.95
	(d) Unallocated	44.45	55.90
	<b>Total</b>	<b>693.47</b>	<b>649.21</b>

**Segment information**

Segment information for primary segment reporting (by business segments).

The Company has two business segments:

- (i) Property Development
- (ii) Speciality Chemicals
- (iii) Manufacturing and trading in Capacitors



**Notes :**

- 1 The above the results have been reviewed by the Audit Committee on May 30, 2018 and approved by the Board of Directors in their meeting held on May 30, 2018
- 2 Figures of the quarter ended March 31, 2018 and March 31, 2017 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year
- 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. The impact of transition has been provided in the retained earnings as at April 01, 2016. The results for the quarter and year ended March 31, 2017 have been restated to comply with Ind AS. The figures for the corresponding periods have been regrouped, wherever necessary, to make them comparable.
- 4 In accordance with the requirements of Ind AS 18, Revenue from Operations for the quarter and year ended March 31, 2018 is shown net of Goods and Services Tax (GST). However, Revenue from Operations for the preceding periods are shown inclusive of Excise Duty, wherever applicable. For comparison purposes revenue excluding excise duty is given below.

Sr. No.	Particulars	Standalone					Consolidated	
		Quarter ended on			Year ended on		Year ended on	
		31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
		(a)	Total Revenue from operations	402.74	391.87	358.22	1,636.05	1,579.15
(b)	Excise Duty on sales (included in other expenses)	-	-	39.29	47.07	173.88	48.06	177.40
(c)	Total Revenue from operations excluding Excise duty on Sales (a-b)	402.74	391.87	318.93	1,588.98	1,405.27	3,017.39	2,623.15

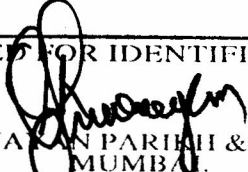
- 5 Reconciliation of Net Profit after tax as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter ended March 31, 2017 :

Sr. No.	Particulars	Standalone		Consolidated
		Quarter ended on	Year ended on	Year ended on
		31-Mar-17	31-Mar-17	31-Mar-17
			Net Profit/ (Loss) after tax for the period under previous Indian GAAP Benefit / (Charge) :	(19.47)
(a)	Impact of measuring investments at fair value through Profit and Loss	9.75	31.13	31.13
(b)	Effect of measuring financial instruments at fair value	1.94	1.94	1.94
(c)	Reclassification of Actuarial gains/(losses), arising in respect of employee benefits	2.13	5.73	9.99
(d)	Reversal of Impairment of Investments	-	(1.19)	(1.19)
(e)	Impairment of Trade receivable under ECL method	-	-	(11.12)
(f)	Impact due to reclassification of Investment	-	-	20.36
	Net Profit/ (Loss) after tax for the period under Ind AS	(5.70)	82.91	78.50

- 6 Reconciliation of Other Equity previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter ended March 31, 2017 :

Sr. No.	Particulars	Standalone	Consolidated
		Year ended on	Year ended on
		31-Mar-17	31-Mar-17
	<b>Other Equity under Previous Indian GAAP</b>	1,652.31	1,438.87
	<b>Increase / (Decrease):</b>		
(a)	Fair value of Non Current Investments	69.87	69.87
(b)	Reversal of Capital Reserve to Inventory	(10.62)	(10.62)
(c)	Effect of measuring financial instruments at fair value	1.94	1.94
(d)	Impairment of Trade receivable under ECL method (Net of Tax)	-	(26.72)
(e)	Deficit Balance of Non Controlling Interest	-	345.17
	<b>Other Equity as reported under Ind AS</b>	1,713.48	1,818.49

Place: Mumbai  
Date : May 30, 2018

SIGNED FOR IDENTIFICATION  
BY  
  
NANAN PARIKH & CO  
MUMBAI

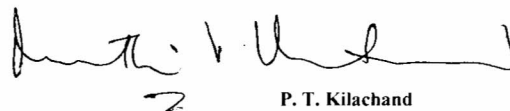
  
P. T. Kilachand  
(DIN - 00005516)  
Managing Director

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

**Audited Standalone and Consolidated Balance Sheet as at March 31, 2018**

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	As at		As at	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
	Audited	Audited	Audited	Audited
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	52.71	39.44	220.43	215.50
Other Intangible assets	1.32	2.49	2.76	4.26
Financial assets				
Investments	422.82	404.78	306.18	289.65
Loans	4.35	3.79	4.35	3.79
Other financial assets	11.87	32.81	16.72	37.66
Deferred tax assets (Net)	11.54	14.70	11.54	14.70
Other non-current assets	58.68	79.07	58.86	79.25
<b>Total non-current assets</b>	<b>563.29</b>	<b>577.08</b>	<b>620.84</b>	<b>644.81</b>
<b>Current Assets</b>				
Inventories	219.77	215.73	502.88	540.28
Financial Assets				
Trade receivables	324.26	237.81	727.64	537.80
Cash and cash equivalents	126.13	87.84	154.63	110.13
Bank balances other than cash and cash equivalent	160.26	190.27	160.78	190.79
Loans	450.02	501.82	11.56	5.94
Other financial assets	1.18	3.89	1.35	4.08
Current tax assets (Net)	16.53	22.52	16.53	22.52
Other current assets	47.00	75.18	49.96	106.58
<b>Total current assets</b>	<b>1,345.16</b>	<b>1,335.06</b>	<b>1,625.33</b>	<b>1,518.12</b>
<b>Total assets</b>	<b>1,908.45</b>	<b>1,912.14</b>	<b>2,246.17</b>	<b>2,162.93</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share capital	40.40	40.40	40.40	40.40
Other Equity	1,685.31	1,713.48	1,827.67	1,818.49
Non Controlling Interest	-	-	(315.37)	(345.17)
<b>Total equity</b>	<b>1,725.71</b>	<b>1,753.88</b>	<b>1,552.70</b>	<b>1,513.72</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Provisions	-	-	19.00	18.51
<b>Total non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>19.00</b>	<b>18.51</b>
<b>Current liabilities</b>				
Financial Liabilities				
Trade payables	132.38	95.46	227.07	176.82
Other financial liabilities	14.89	28.02	328.12	341.24
Other current liabilities	34.76	33.94	103.79	95.51
Provisions	0.70	0.84	15.49	17.12
<b>Total current liabilities</b>	<b>182.74</b>	<b>158.26</b>	<b>674.47</b>	<b>630.70</b>
<b>Total equity and liabilities</b>	<b>1,908.45</b>	<b>1,912.14</b>	<b>2,246.17</b>	<b>2,162.93</b>



P. T. Kilachand  
(DIN - 00005516)  
Managing Director

Place: Mumbai  
Date : May 30, 2018

