

POLYCHEM LIMITED

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



TELEPHONE : 91 22 2282 0048
FAX : 91 22 2285 0606
URL : <http://www.polychemltd.com>
EMAIL : polychemltd@kilachand.com
CIN : L24100MH1955PLC009663

HO: POLYCHEM: 21/2020

February 6, 2020

To
Head Listing Compliance
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Company Code - 506605

Dear Sir/Ma'am,

Sub: Consolidated and Standalone Un-Audited Financial Results for the quarter and nine months ended December 31, 2019

We enclose herewith Statement of Consolidated and Standalone Un-Audited Financial Results for the quarter and nine months ended December 31, 2019, duly approved by the Board of Directors of the Company at its meeting held today i.e. 6th February, 2020 together with the Limited Review Report received from the Statutory Auditor, M/s. Nayan Parikh & Co.

Thanking you,

Yours faithfully,

For **Polychem Limited**

(Atul H. Mehta)
Managing Director
DIN: 00005523

NAYAN PARIKH & CO.

(REGISTERED)

CHARTERED ACCOUNTANTS

OFFICE NO. 9, 2ND 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 financial results for the quarter and nine months ended on December 31, 2019 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

1. We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of Polychem Limited ("the Company") for the quarter and nine months ended December 31, 2019, 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 the Indian Accounting Standard 34 'Interim Financial Reporting' ("Ind AS 34") 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 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 financial statements 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.




NAYAN PARIKH & CO.

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.

Place: Mumbai
Dated 6th day of February, 2020

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



K. Y. Narayana
K. Y. Narayana
Partner
Membership No. 060639

UDIN:20060639AAAAAW7958

Unaudited Standalone Financial Results For The Quarter and Nine Months Ended December 31, 2019

Sr. No.	Particulars	Quarter ended			Nine months ended			(Rs. in Lakhs)	
		31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19	Year ended 31-Mar-19 Audited	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited		
1	Revenue from Operations								
(a)	Net Sales	546.45	610.04	480.03	1,730.27	1,413.94	1,856.32		
(b)	Other Operating Income	13.11	17.24	7.49	42.27	25.46	35.08		
2	Other Income	25.88	24.73	26.71	67.45	65.13	87.90		
3	Total Income (1+2)	585.44	652.01	514.23	1,839.99	1,504.53	1,979.30		
4	Expenses								
(a)	Cost of materials consumed	283.82	312.53	311.04	907.63	938.29	1,183.18		
(b)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(7.74)	13.96	(7.81)	14.39	(26.04)	(20.32)		
(c)	Processing charges	71.73	74.70	60.02	218.58	180.23	234.70		
(d)	Employee benefits expense	72.02	75.38	67.68	209.43	194.27	254.72		
(e)	Finance Costs	0.53	-	-	0.53	-	-		
(f)	Depreciation and amortisation expense	22.80	7.66	4.37	38.02	12.57	17.95		
(g)	Other expenses	53.71	81.69	55.38	205.94	170.08	239.05		
5	Total Expenses	496.87	565.92	490.68	1,594.52	1,469.40	1,909.28		
6	Profit / (Loss) before Tax (3-4)	88.57	86.09	23.55	245.47	35.13	70.02		
	Tax expenses								
	Current Tax (for the year)	18.00	18.00	-	51.50	-	2.50		
	Current Tax (relating to prior years)	-	-	-	-	-	(3.00)		
	Deferred Tax	(0.29)	(0.63)	(0.39)	(0.77)	(0.78)	0.93		
7	Net Profit / (Loss) for the period after Tax (5-6)	70.86	68.72	23.94	194.74	35.91	69.59		
8	Other Comprehensive Income/Loss (Net of tax) Items that will not be re-classified to Profit or Loss :								
	Re-measurements of post employment benefit	(0.42)	(0.41)	(0.49)	(1.25)	(1.46)	(2.30)		
9	Total Other Comprehensive Income / (Loss) (after Tax)	(0.42)	(0.41)	(0.49)	(1.25)	(1.46)	(2.30)		
10	Total Comprehensive Income for the period (7-8)	70.44	68.31	23.45	193.49	34.45	67.29		
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.)*	17.54	17.01	5.92	48.20	8.89	1,752.60		


*EPS is not annualised for the Quarter ended December 31, 2019, Quarter September 30, 2019, Quarter ended December 31, 2018, nine months ended December 31, 2019 and nine months December 31, 2018.

Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on Feb 06, 2020.
- 2 The Statutory Auditor of the Company have conducted limited review of the financial results for the quarter and nine months ended Dec 31, 2019.
- 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 As per Ind AS 108 "Operating Segment information" has been provided under the Notes to Consolidated Financial Results.
- 5 Effective April 01, 2019 the Company has adopted Ind AS 116 on "Leases" using Modified Retrospective Transition Method. The adoption of this standard did not have any material impact on the above financial results.
- 6 Tax expense for the quarter and nine months ended December 31,2019 reflect changes made vide The Taxation Laws (Amendment) Act,2019 as applicable to the Company, which interalia includes Corporate Tax Rate of 22%.
- 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 : Feb 06, 2020

SIGNED FOR IDENTIFICATION
BY
N
MUMBAI
CO


P T KILACHAND
(DIN - 00095516)
Managing Director

NAYAN PARIKH & CO.

(REGISTERED)

CHARTERED ACCOUNTANTS

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

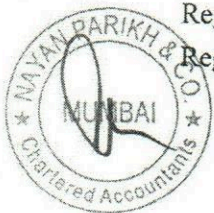
PHONE : (91-22) 2640 0358, 2640 0359

Independent Auditor's Review Report on unaudited consolidated financial results for the quarter and nine months ended on December 31, 2019 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**

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 ended December 31, 2019 and for the period from April 1, 2019 to December 31, 2019 ("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 consolidated figures for the quarter ended December 31, 2018 and for the period from April 1, 2018 to December 31, 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
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.

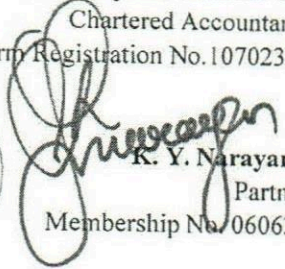


4. The Statement includes the standalone financial result of one subsidiary Gujarat Poly Electronics Limited.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of the other auditor referred to in paragraph 6 below, 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 result reflect total revenues of ₹ 308.62 lakhs and ₹ 1020.23 lakhs, total net profit after tax of ₹ 35.68 lakhs and ₹ 99.25 lakhs and total comprehensive income of ₹ 35.26 lakhs and ₹ 97.99 lakhs for the quarter ended December 31, 2019 and for the period from April 1, 2019 to December 31, 2019, respectively as considered in the unaudited consolidated financial result. This unaudited standlone 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.

Place: Mumbai
Dated 6th day of February, 2020



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


K. Y. Narayana
Partner
Membership No. 060639

UDIN:20060639AAAAAV1954

POLYCHEM LIMITED

CIN NO:124100MH1955PLC009663

Regd. Office - 7 J Tata Road, Mumbai - 400020

Telephone: 91 22 22820048; Email: polychemhd@khiachand.com

Website: www.polychemhd.com

Unaudited Consolidated Financial Results For The Quarter and Nine Months Ended December 31, 2019

Sr. No.	Particulars	Quarter ended on				Nine Months ended		Year ended
		31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19	
		Unaudited	Unaudited	Unreviewed	Unaudited	Unreviewed	Audited	
1	Revenue from Operations							
(a)	Net Sales	851.29	944.14	1,017.95	2,742.19	3,217.30	4,109.44	
(b)	Other Operating Income	14.59	18.24	12.21	45.90	32.53	44.75	
2	Other Income	28.18	27.03	13.03	71.17	38.45	57.37	
3	Total Income (1+2)	894.06	989.41	1,043.19	2,859.27	3,288.28	4,211.56	
4	Expenses							
(a)	Cost of materials consumed	284.52	313.01	312.26	909.84	942.52	1,188.25	
(b)	Purchase of stock-in-trade	187.75	195.78	376.24	577.54	992.70	1,209.42	
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(7.05)	15.44	(95.89)	30.10	(46.64)	(3.12)	
(d)	Processing charges	71.73	74.70	60.02	218.58	180.23	240.75	
(e)	Employee benefits expense	145.98	148.96	136.84	433.98	394.92	522.13	
(f)	Finance Cost	0.70	-	-	0.70	-	-	
(g)	Depreciation and amortisation expense	31.16	10.97	7.59	52.84	20.75	32.08	
(h)	Other expenses	54.67	134.02	125.63	290.97	316.92	409.60	
5	Total Expenses	769.46	892.88	922.69	2,514.55	2,801.40	3,599.11	
6	Profit / (Loss) before Tax (3-4)	124.60	96.53	120.50	344.72	486.89	612.45	
	Tax expenses							
	Current Tax (for the year)	18.00	18.00	-	51.50	-	2.50	
	Current Tax (relating to prior years)	(0.29)	(0.63)	(0.39)	(0.77)	(0.78)	(3.00)	
	Deferred Tax	106.89	79.16	120.89	293.99	487.67	0.93	
7	Net Profit / (Loss) for the period after Tax (5-6)							
8	Other Comprehensive Income/Loss (Net of tax) Items that will not be re-classified to Profit or Loss:							
9	Rembursements of post employment benefit	(0.85)	(0.83)	-	(2.52)	(0.01)	(4.31)	
10	Total Other Comprehensive Income / (Loss) (after Tax)	(0.85)	(0.83)	-	(2.52)	(0.01)	(4.31)	
11	Total Comprehensive Income for the period (7-8)	106.04	78.33	120.89	291.47	487.66	607.71	
	Profit / (Loss) attributable to:							
	Owners of the parent	90.30	74.37	76.26	248.33	279.82	362.45	
	Non controlling interest	16.59	4.79	44.63	45.66	207.85	249.57	
	Other Comprehensive Income attributable to:							
	Owners of the parent	(0.65)	(0.64)	(0.22)	(1.94)	(0.68)	(3.39)	
	Non controlling interest	(0.20)	(0.19)	0.22	(0.58)	0.67	(0.93)	
	Total Comprehensive Income attributable to:							
	Owners of the parent	89.65	73.73	76.04	246.39	279.14	359.07	
	Non controlling interest	16.39	4.60	44.85	45.08	208.52	248.64	
12	Paid-up Equity Share Capital (Face value Rs. 10/- per share)	40.40	40.40	40.40	40.40	40.40	40.40	
13	Other Equity							
14	Earning Per Share - (Basic and diluted) (Rs.)*	22.35	18.41	18.88	61.46	69.25	2,185.81	
							89.71	

*EPS is not annualised for the Quarter ended December 31, 2019, Quarter September 30, 2019, Quarter ended December 31, 2018, nine months ended December 31, 2019 and nine months December 31, 2018.

Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on Feb 06, 2020.
- 2 The Statutory Auditor of the Company have conducted limited review of the financial results for the quarter and nine months ended Dec 31, 2019.
- 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 Statutory Auditor of the Company have carried out a limited review of the financial results for the quarter and Nine Months ended Dec 31, 2019 only. The financial results and other financial information for the quarter and Nine Months ended Dec 31, 2018 have not been subjected to limited review/audit. However, management has exercised due diligence to ensure that such financial results provide a true and fair view of it's affairs.
- 5 Effective April 01, 2019 the Company has adopted Ind AS 116 on "Leases" using Modified Retrospective Transition Method. The adoption of this standard did not have any material impact on the above financial results.
- 6 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

Unaudited Consolidated Segment Revenue and Results for the Quarter and Nine Months Ended Dec 31, 2019

Sr. No.	Particulars	Quarter ended on				Nine Months ended		Year ended 31-Mar-19 Audited
		31-Dec-19 Unaudited	30-Sep-19 Unaudited	31-Dec-18 Unreviewed	31-Dec-19 Unaudited	31-Dec-18 Unreviewed		
1	Segment Revenue (net sale/income from each segment)							
	(a) Property Development	546.45	610.04	480.03	1,730.27	1,413.94	1,856.32	
	(b) Specialty Chemicals	304.84	334.11	537.92	1,011.92	1,803.36	2,253.12	
	(c) Manufacturing and trading in Capacitors	42.76	45.26	25.24	117.07	70.98	102.12	
	(d) Unallocated	894.06	989.41	1,043.19	2,859.27	3,288.28	4,211.56	
	Less: Inter Segment Revenue	-	-	-	-	-	-	
	Revenue from operations	894.06	989.41	1,043.19	2,859.27	3,288.28	4,211.56	
2	Segment Results Profit/Loss before tax and interest from each segment							
	(a) Property Development	-	-	-	-	-	-	-
	(b) Specialty Chemicals	147.77	155.85	70.42	436.03	184.89	265.38	
	(c) Manufacturing and trading in Capacitors	36.05	10.42	103.76	100.21	478.62	542.43	
	(d) Unallocated	183.82	166.27	174.18	536.24	663.51	807.81	
	Less:							
	(i) Other Un-allocable Expenditure (net off)	59.21	69.73	53.68	191.51	176.62	195.36	
	Total Profit Before Tax	124.60	96.53	120.50	344.72	486.89	612.45	

Sr. No.	Particulars	As at				As at		As at	
		31-Dec-19 Unaudited	30-Sep-19 Unaudited	31-Dec-18 Unreviewed	31-Dec-19 Unaudited	31-Dec-18 Unreviewed	31-Mar-19 Audited		
3	Segment Asset								
	(a) Property Development	161.25	161.25	159.34	161.25	159.34	608.91		
	(b) Specialty Chemicals	675.01	664.48	531.33	675.01	531.33	978.86		
	(c) Manufacturing trading in Capex	1,058.45	988.11	1,172.47	1,058.45	1,172.47	1,080.21		
	(d) Unallocated	1,287.16	1,182.80	985.45	1,287.16	985.45	2,227.22		
Total	3,181.86	2,996.64	2,848.59	3,181.86	2,848.59				
4	Segment Liabilities								
	(a) Property Development	123.66	96.82	89.77	123.66	89.77	141.65		
	(b) Specialty Chemicals	163.23	128.53	462.47	163.23	462.47	414.84		
	(c) Manufacturing trading in Capex	434.54	400.51	149.14	434.54	149.14	44.50		
	(d) Unallocated	721.43	625.86	701.38	721.43	701.38	601.89		
Total									

7 Tax expense for the quarter and nine months ended December 31, 2019 reflect changes made vide The Taxation Laws (Amendment) Act, 2019 as applicable to the Company, which interalia includes Corporate Tax Rate of 22%.

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

Place: Mumbai
Date: Feb 06, 2020

SIGNATURE IDENTIFICATION
BY

N. S. KILACHAND & CO
MUMBAI

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