



PUNJAB CHEMICALS

AND CROP PROTECTION LTD.

CIN NO. L24231PB1975PLC047063

Regd. Office & Works

Milestone-18, Ambala-Kalka Road, Village & P.O. Bhankharpur, Derabassi, Distt SAS Nagar, Mohali (Punjab)-140201, INDIA
Tele: 01762-280086, 522250, Fax: 01762-280070, E-mail: info@punjabchemicals.com, Website: www.punjabchemicals.com

Ref : PCCPL/

Date: 29th June, 2020

The Manager
Department of Corporate Services
Bombay Stock Exchange Limited
1st Floor, New Trading Wing,
P.J Towers, Dalal Street Fort
MUMBAI-400 001
Scrip Code: 506618
Tel No.: 022-22728073

By E-filing

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East)
MUMBAI-400 051
Scrip Symbol: PUNJABCHEM
Tel No.: 022-26598235/26598458

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

Dear Sirs,

Please take note that the Board of Directors of the Company at its meeting held today i.e. Monday, the 29th June, 2020 have transacted and approved the following businesses:

1. Pursuant to Regulation 33 (3)(d) of the SEBI (LODR) Regulations, 2015 Audited Standalone and Consolidated Financial Results for the quarter / year ended 31st March, 2020 along with the Statement of Assets and Liabilities as on 31st March, 2020 and Auditors' Reports thereon.

It may be noted that there is no qualification in the Auditor's Report. Therefore, there is no impact on the financial results of the Company. Accordingly a Declaration pursuant to Regulation 33(3)(d) of SEBI (LODR) regarding Audit Report with Unmodified Opinion is attached herewith.

2. The Board of Directors have recommended a dividend of Rs. 1.5 (15%) per equity share of Rs. 10/- each for the financial year ended March 31, 2020, subject to the approval of shareholders in the ensuing Annual General Meeting.
3. The Board of Directors on the recommendation of the Nomination & Remuneration Committee approved the re-appointment of Shri Sheo Prasad Singh (DIN: 06493450) as an Independent Director of the Company for a further period of 5 years (second Term) upto the conclusion of 49th Annual General Meeting to be held in the year 2025, subject to the approval of shareholders of the Company at the ensuing Annual General Meeting.

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-: 2 :-

4. The 44th Annual General Meeting of the Company for the year ended 31st March, 2020 will be held on Friday, the 25th September, 2020 at Derabassi.

The annual Book closure for the purpose of determination of entitlement for the declaration of final dividend will be Friday, 18th September, 2020 to Friday, 25th September, 2020 (both days inclusive).

The Board has also constituted a Committee to consider the change of date of holding AGM or Book Closure, if required, due to COVID-19 or any other reason.

In accordance with the Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, granting relaxations in complying with the provisions of Regulation 47 of the SEBI Listing Regulations, 2015, the Audited Results for the quarter and year ended 31st March, 2020 will not be published in the newspapers. A copy of the above results will be made available on the website of the Company: www.punjabchemicals.com.

The Board Meeting commenced at 12 a.m. and concluded at 2.00 p.m.

Kindly take the same on the record and inform all your constituents accordingly.
Thanking you,

Yours faithfully

For PUNJAB CHEMICALS AND
CROP PROTECTION LIMITED


(CS PUNIT K ABROL)

SR. V.P. (FINANCE) & SECRETARY



Punjab Chemicals and Crop Protection Limited
 Regd. Office : Milestone 18, Ambala Kalka Road, Village & P.O. Bhankharpur, Derabassi
 Dist. SAS Nagar, Mohali (Punjab)-140201
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Statement of Audited Standalone Financial Results for the quarter and year ended 31 March 2020

(Rs in Lakhs)

Particulars	Standalone				
	Quarter Ended			Year Ended	
	31.03.2020 (Audited)	31.12.2019 (Unaudited)	31.03.2019 (Audited)	31.03.2020 (Audited)	31.03.2019 (Audited)
1 Revenue from operations	10,664	15,162	18,351	54,750	64,037
2 Other income	957	695	93	1,924	1,036
3 Total income (1+2)	11,621	15,857	18,444	56,674	65,073
4 Expenses:					
(a) Cost of materials consumed	6,384	8,895	10,552	31,993	39,742
(b) Purchases of stock in trade	84	52	118	445	583
(c) Changes in inventories of finished goods, work in progress and stock in trade	(1,202)	1,185	902	77	(412)
(d) Employee benefits expense	1,780	1,694	1,827	6,870	6,353
(e) Finance costs	501	374	391	1,794	1,706
(f) Depreciation and amortization expense	342	395	363	1,535	1,800
(g) Other expenses					
- Power and fuel expense	838	1,142	1,139	4,229	4,672
- Others	1,866	1,674	2,081	7,020	6,510
Total expenses	10,593	15,411	17,373	53,963	61,014
5 Profit before exceptional items and tax (3-4)	1,028	446	1,071	2,711	4,059
6 Exceptional items					
- (Charges incurred) on one time settlement of borrowings	-	-	-	-	(838)
- Loss on fire (net of insurance claim) (also refer note no. iv)	-	-	-	-	-
7 Profit before tax (5+6)	1,028	446	1,071	2,711	3,221
8 Tax expense	550	214	347	1,133	1,196
9 Profit for the period (7-8)	478	232	724	1,578	2,025
10 Other comprehensive income/(expense)					
(A) (i) Item that will not be reclassified to profit or loss	(4)	(10)	(165)	(35)	(181)
(ii) Income tax relating to items that will not be reclassified to profit or loss	1	3	57	9	63
(B) (i) Item that will be reclassified to profit or loss	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
11 Total comprehensive income for the period (9+10)	475	225	616	1,552	1,907
12 Earnings per equity share:					
- Basic and diluted (of Rs. 10 each) (not annualized)	3.90	1.89	5.90	12.87	16.51
13 Paid up equity share capital (Face value of share - Rs.10 each)	1,226	1,226	1,226	1,226	1,226
14 Reserve (excluding revaluation reserve)				10,224	8,894

See accompanying notes to the audited standalone financial results



Punjab Chemicals and Crop Protection Limited
Statement of Standalone Assets and Liabilities

(Rs in Lakhs)

Particulars	As at 31.03.2020 (Audited)	As at 31.03.2019 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	15,865	15,715
Right of use assets	667	-
Capital work-in-progress	1,428	582
Investment property	-	1,879
Other intangible assets	230	362
Intangible assets under development	68	87
Financial assets		
- Investments	118	127
- Trade receivables	-	-
- Loans	280	258
- Other financial assets	37	-
Deferred tax assets (net)	153	39
Income tax assets (net)	649	649
Other non-current assets	317	297
Total non-current assets	19,812	19,995
Current assets		
Inventories	8,648	8,160
Financial assets		
- Trade receivables	4,766	6,179
- Cash and cash equivalents	262	188
- Other bank balances	162	155
- Loans	2,186	1,544
- Other financial assets	3,987	1,096
Other current assets	1,256	1,110
Total current assets	21,267	18,432
Assets held for sale	265	-
Total assets	41,344	38,427
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,226	1,226
Other equity	10,224	8,894
Total equity	11,450	10,120
Liabilities		
Non-current liabilities		
Financial liabilities		
- Borrowings	4,005	1,100
- Other financial liabilities	531	358
Provisions	2,324	2,207
Other non-current liabilities	28	54
Total non-current liabilities	6,888	3,719
Current liabilities		
Financial liabilities		
- Borrowings	4,805	7,950
- Trade payables		
i) Total outstanding dues of micro enterprises and small enterprises	386	45
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	8,491	11,191
- Other financial liabilities	6,644	4,045
Other current liabilities	764	551
Provisions	879	633
Current tax liabilities (net)	1,037	173
Total current liabilities	23,006	24,588
Total liabilities	29,894	28,307
Total equity and liabilities	41,344	38,427



Punjab Chemicals and Crop Protection Limited
Statement of Standalone Cash Flow

(Rs in Lakhs)

	For the year ended 31.03.2020	For the year ended 31.03.2019
A. Cash flow from operating activities		
Profit before tax	2,711	3,221
Adjustments for:		
Depreciation and amortization expense	1,535	1,860
Liability no longer required written back	(39)	-
Reversal of impairment loss on doubtful advances	(619)	(436)
Interest income	(39)	(39)
Amortization of government grants	(2)	(2)
Finance cost	1,794	1,706
Charges incurred on one time settlement of borrowings	-	838
Unrealized foreign exchange (gain) / loss (net)	(173)	104
Advances written off	6	-
Property, plant and equipment written off	15	53
Investment property written off	227	-
(Gain) / loss on sale of property, plant and equipment (net)	(6)	17
(Gain) on sale of investment property	(785)	-
Expected credit loss on trade receivable	128	43
Rental income	(310)	(458)
Operating cash flow before working capital changes	4,443	6,907
Changes in working capital:		
Decrease / (increase) in trade receivables	1,445	(2,229)
(Increase) in inventories	(585)	(1,460)
(Increase) / decrease in other current and non-current assets	(147)	1,063
(Increase) in current and non-current other financial assets	(534)	(98)
Decrease in current and non-current loans	97	1,278
(Decrease) / Increase in trade payables and other liabilities	(2,300)	576
Increase in other current financial liabilities	919	1,060
Increase in long-term and short-term provisions	337	386
Cash generated from operating activities	3,675	7,483
Income tax paid (net)	(430)	(537)
Net cash generated from operating activities (A)	3,245	6,946
B. Cash flow from investing activities		
Acquisition of property, plant and equipment (including capital advances)	(2,662)	(2,723)
Proceeds from sale of property, plant and equipment	101	104
Proceeds from sale of investment property	519	-
Taxes paid on sale of investment property	(23)	-
Proceeds from insurance claim	430	-
Proceeds from sale of investment in shares	-	4
Movement in other bank balances	7	10
(Increase) in deposits with original maturity of more than 12 months	(37)	-
Interest received	3	59
Rental income	310	458
Net cash flows (used in) investing activities (B)	(1,352)	(2,088)
C. Cash flow from financing activities		
Proceeds from non-current borrowings	1,588	1,175
Repayments of non-current borrowings	(109)	(6,538)
Payment of lease liabilities	(164)	-
Repayment / proceeds of current borrowings (net)	(1,245)	7,350
One time settlement cost paid on borrowings paid to banks	-	(838)
Payment of dividend (including corporate dividend tax)	(222)	-
Finance cost paid	(1,702)	(1,513)
Net cash flows (used in) financing activities (C)	(1,854)	(364)
Net increase in cash and cash equivalents (A+B+C)	39	4,494
Cash and cash equivalents at the beginning of the year	73	(4,421)
Cash and cash equivalents at the end of the year	112	73
Notes :		
1. Cash and cash equivalents include :		
Balances with banks		
- In current accounts	94	164
- Deposits with original maturity of less than three months	154	21
Cash on hand	14	3
Book overdraft	(150)	(115)
	112	73



PUNJAB CHEMICALS AND CROP PROTECTION LIMITED

Notes:

- i) The above Audited Standalone Financial Results as reviewed by the Audit Committee and have been approved at the meeting of the Board of Directors held on 29 June 2020. The audit report of the Statutory Auditors is being filed with the BSE and National Stock Exchange. For more details, visit the Investor section of our website at www.punjabchemicals.com and Financial Results at Corporate section of www.bseindia.com and www.nseindia.com.
- ii) The Company is engaged in the single operating segment "Performance Chemicals".
- iii) On 01 April 2019, the Company has adopted Ind AS 116 "Leases", using the modified retrospective approach. Accordingly, the comparatives have not been retrospectively adjusted and there is no impact on retained earnings as at 1 April 2019. Upon adoption of Ind AS 116 Company has recognized a right of use asset of and a corresponding lease liability amounting to Rs.191.25 lakhs as on 1 April 2019. Further, amount of Rs. 31 lakhs finance lease as per Ind AS 17, have been reclassified from property, plant and equipment to Right-of-Use Assets. In the Statement of Profit and Loss for the year ended 31 March 2020, the nature of expenses in respect of operating leases has changed from rent, in corresponding quarter and year ended 31 March 2019, to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.
- iv) On 10 July 2019, there was a fire in one section of Agro Chemicals Division, Derabassi due to which the Company's property; plant, equipment, capital work-in-progress and inventory was damaged. The fire also disrupted the production for the whole factory a few days and the section for a longer period. This has impacted the financial performance of the Company. The plant is fully insured under IAR Policy, and Loss of Profit. The Company has recorded a loss of Rs. 1,034 lakhs arising from the incident and has lodged claim with the insurance company for recovery of the losses suffered. Further, the Company had also recognised the insurance claim receivables to the extent of aforesaid losses. The aforementioned losses and the corresponding credit arising from insurance claim receivables had been presented on a net basis (Rs. Nil) under Exceptional items. The Company has received an initial disbursement of Rs. 379 lakhs from the Insurance Company and Rs. 51 lakhs from sale of scrap. The final claim is under process at the level of Surveyor and the Insurance Company. There are no disputes made by the insurance company against the claim.
- v) The Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognized provision for income tax for the quarter and year ended 31 March 2020 and re-measured its deferred tax assets / liabilities basis the rate prescribed in the said section.
- vi) During the quarter ended 31 March 2020, after the approval of Board, the company has transferred and assigned the Leasehold rights in respect of the Industrial Plots together with the Factory building situated at E-51/1, E-51/2 and 52, MIDC, Tarapur, Boisar, Maharashtra to UPL Limited. The transaction has been completed in the month of May 2020.
- vii) The Company has considered the possible effect that may result from the pandemic relating to COVID-19 on the value of property, plant and equipment, inventories, receivables, other current assets and on their assessment with respect to the status as a going concern. The Company came under the exempted category and was able to partially continue the operations in the manufacturing units with the available manpower and other resources after taking necessary precautions. In developing the assumptions relating to the possible future uncertainties, the Company as at the date of approval of these financial results, has used internal and external sources on the expected future performance. On this basis and using sensitivity analysis, the Company is confident that the carrying amount of these assets will be recovered and does not anticipate any impairment to its financial and non-financial assets nor any impact on its assessment as a going concern. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration the situation may change. However, we are confident the change, if any, will not be major.



- viii) The figures for the last quarter ended 31 March 2020 and the corresponding quarter ended in the previous year, are the balancing figures between audited figures in respect of the full financial year and the published, year to date, figures up to the end of third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subject to audit.
- ix) Subsequent to 31 March 2020, the Company and the Managing Director along with Director (Operation and Business Development) have received a show cause notice from an Adjudicating Officer of the Securities and Exchange Board of India (SEBI) with respect to allegations pertaining to non-disclosure of certain information to the Stock Exchange under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The Company has obtained necessary legal advice, which is favourable to its position, in the matter and will take appropriate action in due course.

- x) The Board has recommended a dividend of Rs. 1.50 (15%) per equity share of Rs. 10 each fully paid up amounting to Rs. 183.93 lakhs, subject to approval in the Annual General Meeting.

Place: Mumbai
Date: 29 June 2020



For and on behalf of the Board of Directors

A handwritten signature in black ink, appearing to read "Shalil Shroff", written over the printed name.

Shalil Shroff
Managing director
(DIN: 00015621)



PUNJAB CHEMICALS

AND CROP PROTECTION LTD.

Corporate Office :

Oberoi Chambers II, 4th / 5th Floor, 645 / 646, New Link Road, Andheri (W), Mumbai-400053. INDIA.
Tel: 91-22-26747900 Fax : 91-22-26736193/78 E-mail : enquiry@punjabchemicals.com • Website : www.punjabchemicals.com

Date: 29th June, 2020

BY E-FILING

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Bandra (East)
MUMBAI-400 051
Scrip Symbol: PUNJABCHEM
Tel No.: 022-26598235/26598458

Sub Declaration pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Audit Report with Unmodified Opinion

Pursuant to Regulation 33(3)(d) of SEBI (Listing 'Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that BSR & CO, LLP, Chartered Accountants (Registration Number 101248W/W-100022 have issued unmodified opinion in respect of the Audited Financial Results (Standalone & Consolidated) of the Company for the year ended 31st March, 2020.

Please take the above documents on record and oblige.

Thanking you,

Yours faithfully
For **PUNJAB CHEMICALS AND
CROP PROTECTION LIMITED**

**SHALIL SHROFF
MANAGING DIRECTOR**

In preparing the standalone annual financial results, the Management and 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 is responsible for overseeing the Company's financial reporting process.

4. Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual 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 standalone annual 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 standalone annual 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. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and 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 appropriateness of this assumption. 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 standalone annual 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 standalone annual financial results, including the disclosures, and whether the standalone annual 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.

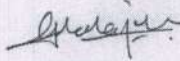
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



5. Other Matters

The standalone annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022



Gaurav Mahajan
Partner
Membership Number: 507857
UDIN: 30507857AAAAAW8576

Place: Chandigarh
Date: 29 June 2020

Punjab Chemicals and Crop Protection Limited
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Statement of Audited Consolidated Financial Results for the quarter and year ended 31 March 2020

Particulars	(Rs in Lakhs)				
	Consolidated				
	Quarter Ended			Year Ended	
	31.03.2020 (Audited)	31.12.2019 (Unaudited)	31.03.2019 (Unaudited)	31.03.2020 (Audited)	31.03.2019 (Audited)
1 Revenue from operations					
2 Other income	10,682	15,179	18,425	54,956	64,294
3 Total income (1+2)	948	93	82	1,313	656
4 Expenses:	11,630	15,272	18,507	56,269	64,950
(a) Cost of materials consumed	6,384	8,828	10,552	31,993	39,742
(c) Purchases of stock in trade	84	52	118	445	583
(d) Changes in inventories of finished goods, stock in trade and work in progress	(1,202)	1,252	902	77	(412)
(e) Employee benefits expense	1,780	1,694	1,827	6,870	6,353
(f) Finance costs	506	380	411	1,814	1,726
(g) Depreciation and amortization expense	342	395	363	1,535	1,860
(h) Other expenses					
- Power and fuel expense	838	1,142	1,139	4,229	4,672
- Others	1,881	1,687	2,214	7,098	6,712
Total expenses	10,613	15,430	17,526	54,061	61,236
5 Profit before exceptional items and tax (3-4)	1,017	(158)	981	2,208	3,714
6 Exceptional items					
- (Charges incurred) on one time settlement of borrowings	-	-	-	-	(838)
- Loss on fire (net of insurance claim) (also refer note no. iv)	-	-	-	-	-
7 Profit before tax (5+6)	1,017	(158)	981	2,208	2,876
8 Tax expense	550	214	347	1,133	1,196
9 Profit for the year (7-8)	467	(372)	634	1,075	1,680
10 Other comprehensive income/(expense)					
(A) (i) Item that will not be reclassified to profit or loss	(4)	(10)	(165)	(35)	(181)
(ii) Income tax relating to items that will not be reclassified to profit or loss	1	3	57	9	63
(B) (i) Item that will be reclassified to profit or loss	(58)	(125)	26	(138)	107
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
11 Total comprehensive income for the year (9+10)	406	(504)	552	911	1,669
12 Earnings per equity share:					
- Basic and diluted (of Rs. 10 each) (not annualized)	3.81	(3.03)	5.17	8.77	13.70
13 Paid up equity share capital	1,226	1,226	1,226	1,226	1,226
(Face value of share - Rs.10 each)					
14 Reserves (excluding revaluation reserve)				8,549	7,860
See accompanying notes to the audited consolidated financial results					



Punjab Chemicals and Crop Protection Limited
Statement of Consolidated Assets and Liabilities

(Rs in Lakhs)

	As at 31.03.2020 (Audited)	As at 31.03.2019 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	15,865	15,715
Right of use assets	667	-
Capital work-in-progress	1,428	582
Investment property	-	1,879
Other intangible assets	230	362
Intangible assets under development	68	87
Financial assets		
- Investments	118	127
- Trade receivables	-	-
- Loans	280	258
- Other financial assets	37	-
Deferred tax assets (net)	153	39
Income tax assets (net)	649	649
Other non-current assets	317	297
Total non-current assets	19,812	19,995
Current assets		
Inventories	8,648	8,160
Financial assets		
- Trade receivables	4,766	6,263
- Cash and cash equivalents	323	205
- Other bank balances	162	155
- Loans	171	131
- Other financial assets	3,987	1,096
Other current assets	1,259	1,112
Total current assets	19,316	17,122
Assets held for sale	265	-
Total Assets	39,393	37,117
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,226	1,226
Other equity	8,549	7,860
Total equity	9,775	9,086
Liabilities		
Non-current liabilities		
Financial liabilities		
- Borrowings	4,005	1,100
- Other financial liabilities	531	358
Provisions	2,324	2,207
Other non-current liabilities	28	54
Total non-current liabilities	6,888	3,719
Current liabilities		
Financial liabilities		
- Borrowings	4,805	7,950
- Trade payables		
i) Total outstanding dues of micro enterprises and small enterprises	386	45
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	8,558	11,263
- Other financial liabilities	6,301	3,667
Other current liabilities	764	581
Provisions	879	633
Current tax liabilities (net)	1,037	173
Total current liabilities	22,730	24,312
Total liabilities	29,618	28,031
Total equity and liabilities	39,393	37,117



Punjab Chemicals and Crop Protection Limited
Statement of Consolidated Cash Flow

(Rs in Lakhs)

	For the year ended 31.03.2020 (Audited)	For the year ended 31.03.2019 (Audited)
A. Cash flow from operating activities		
Profit before tax	2,208	2,876
Adjustments for:		
Depreciation and amortization expense	1,535	1,860
Liability no longer required written back	(39)	(51)
Reversal of impairment loss on doubtful advances	(17)	(5)
Interest income	(39)	(39)
Amortisation of government grants	(2)	(2)
Finance cost	1,814	1,726
Charges incurred on one time settlement of borrowings	-	838
Unrealised foreign exchange loss (net)	(173)	108
Advances written off	6	37
Property, plant and equipment written off	15	53
Investment property written off	227	-
(Gain) / loss on sale of property, plant and equipment (net)	(6)	17
(Gain) on sale of investment property	(785)	-
Reversal of FCTR on disposal of subsidiary	-	76
Expected credit loss on trade receivable	125	44
Rental income	(310)	(458)
Operating cash flow before working capital changes	4,559	7,080
Changes in working capital:		
Decrease / (Increase) in trade receivables	1,531	(2,209)
(Increase) in inventories	(585)	(1,460)
(Increase) / decrease in other current and non-current assets	(147)	1,061
(Increase) in current and non-current other financial assets	(534)	(98)
Decrease in current and non-current loans	80	859
(Decrease) / Increase in trade payables and other liabilities	(2,316)	471
Increase in other current financial liabilities	952	1,293
Increase in long-term and short-term provisions	337	385
Cash generated from operating activities	3,877	7,382
Income tax paid (net)	(430)	(537)
Net cash generated from operating activities (A)	3,447	6,845
B. Cash flow from investing activities		
Acquisition of property, plant and equipment (including capital advances)	(2,662)	(2,724)
Proceeds from sale of property, plant and equipment	101	104
Proceeds from sale of investment property	519	-
Taxes paid on sale of investment property	(23)	-
Proceeds from insurance claim	430	-
Proceeds from sales of investment in shares	-	4
Movement in other bank balances	7	10
(Increase) in deposits with original maturity of more than 12 months	(37)	-
Interest received	3	59
Rental income	310	458
Net cash flows (used in) investing activities (B)	(1,352)	(2,089)
C. Cash flow from financing activities		
Proceeds from non-current borrowings	1,588	1,175
Repayments of non-current borrowings	(109)	(6,538)
Repayment of lease liabilities	(164)	-
Repayment / proceeds of current borrowings (net)	(1,245)	7,350
One time settlement cost on borrowings paid to banks	-	(838)
Payment of dividend (including corporate dividend tax)	(222)	-
Finance cost paid	(1,722)	(1,533)
Net cash flows (used in) financing activities (C)	(1,874)	(384)
Net increase in cash and cash equivalents (A+B+C)	221	4,372
Effect of exchange gain/(loss) on cash and cash equivalents	(138)	107
Cash and cash equivalents at the beginning	90	(4,389)
Cash and cash equivalents at the end	173	90
Notes :		
1. Cash and cash equivalents include :		
Balances with banks		
- In current accounts	155	181
- Deposits with original maturity of less than three months	154	21
Cash on hand	14	3
Book overdraft	(150)	(115)
	173	90



PUNJAB CHEMICALS AND CROP PROTECTION LIMITED

Notes:

- i) The above Audited Consolidated Financial Results as reviewed by the Audit Committee and have been approved at the meeting of the Board of Directors held on 29 June 2020. The audit report of the Statutory Auditors is being filed with the BSE and National Stock Exchange. For more details, visit the Investor section of our website at www.punjabchemicals.com and Financial Results at Corporate section of www.bseindia.com and www.nseindia.com.
- ii) The Company and the group is engaged in the single operating segment "Performance Chemicals".
- iii) On 01 April 2019, the Company has adopted Ind AS 116 "Leases", using the modified retrospective approach. Accordingly, the comparatives have not been retrospectively adjusted and there is no impact on retained earnings as at 1 April 2019. Upon adoption of Ind AS 116 Company has recognized a right of use asset of and a corresponding lease liability amounting to Rs.191.25 lakhs as on 1 April 2019. Further, amount of Rs. 31 lakhs finance lease as per Ind AS 17, have been reclassified from property, plant and equipment to Right-of-Use Assets. In the Statement of Profit and Loss for the year ended 31 March 2020, the nature of expenses in respect of operating leases has changed from rent, in corresponding quarter and year ended 31 March 2019, to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.
- iv) On 10 July 2019, there was a fire in one section of Agro Chemicals Division, Derabassi due to which the Company's property; plant, equipment, capital work-in-progress and inventory was damaged. The fire also disrupted the production for the whole factory a few days and the section for a longer period. This has impacted the financial performance of the Company. The plant is fully insured under IAR Policy, and Loss of Profit. The Company has recorded a loss of Rs. 1,034 lakhs arising from the incident and has lodged claim with the insurance company for recovery of the losses suffered. Further, the Company had also recognised the insurance claim receivables to the extent of aforesaid losses. The aforementioned losses and the corresponding credit arising from insurance claim receivables had been presented on a net basis (Rs. Nil) under Exceptional items. The Company has received an initial disbursement of Rs. 379 lakhs from the Insurance Company and Rs. 51 lakhs from sale of scrap. The final claim is under process at the level of Surveyor and the Insurance Company. There are no disputes made by the insurance company against the claim.
- v) The Company and the group has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognized provision for income tax for the quarter and year ended 31 March 2020 and re-measured its deferred tax assets / liabilities basis the rate prescribed in the said section.
- vi) During the quarter ended 31 March 2020, after the approval of Board, the company has transferred and assigned the Leasehold rights in respect of the Industrial Plots together with the Factory building situated at E-51/1, E-51/2 and 52, MIDC, Tarapur, Boisar, Maharashtra to UPL Limited. The transaction has been completed in the month of May 2020.
- vii) The Company has considered the possible effect that may result from the pandemic relating to COVID-19 on the value of property, plant and equipment, inventories, receivables, other current assets and on their assessment with respect to the status as a going concern. The Company came under the exempted category and was able to partially continue the operations in the manufacturing units with the available manpower and other resources after taking necessary precautions. In developing the assumptions relating to the possible future uncertainties, the Company and the group as at the date of approval of these financial results, has used internal and external sources on the expected future performance. On this basis and using sensitivity analysis, the Company is confident that the carrying amount of these assets will be recovered and does not anticipate any impairment to its financial and non-financial assets nor any impact on its assessment as a going concern. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration the situation may change. However, we are confident the change, if any, will not be major.
- viii) The figures for the last quarter ended 31 March 2020 and the corresponding quarter ended in the previous year, are the balancing figures between audited figures in respect of the full financial year and the published, year to date,



figures up to the end of third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subject to audit.

- ix) Subsequent to 31 March 2020, the Company and the Managing Director along with Director (Operation and Business Development) have received a show cause notice from an Adjudicating Officer of the Securities and Exchange Board of India (SEBI) with respect to allegations pertaining to non-disclosure of certain information to the Stock Exchange under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The Company has obtained necessary legal advice, which is favourable to its position, in the matter and will take appropriate action in due course.

- x) The Board has recommended a dividend of Rs. 1.50 (15%) per equity share of Rs. 10 each fully paid up amounting to Rs. 183.93 lakhs, subject to approval in the Annual General Meeting.



For and on behalf of the Board of Directors


Shalil Shroff
Managing director
(DIN: 00015621)

Place: Mumbai
Date: 29 June 2020



PUNJAB CHEMICALS

AND CROP PROTECTION LTD.

Corporate Office :

Oberoi Chambers II, 4th / 5th Floor, 645 / 646, New Link Road, Andheri (W), Mumbai-400053. INDIA.
Tel: 91-22-26747900 Fax : 91-22-26736193/78 E-mail : enquiry@punjabchemicals.com • Website : www.punjabchemicals.com

Date: 29th June, 2020

BY E-FILING

The Manager
Department of Corporate Services
BSE Limited
1st Floor, New trading wing, P.J
Towers
Dalal Street Fort
MUMBAI-400 001

Scrip Code: 506618
Tel No.: 022-22728073

The Manager
Listing Department
National Stock Exchange of India
Limited
Exchange Plaza, Bandra Kurla
Complex
Bandra (East)
MUMBAI-400 051
Scrip Symbol: PUNJABCHEM
Tel No.: 022-26598235/26598458

Sub Declaration pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Audit Report with Unmodified Opinion

Pursuant to Regulation 33(3)(d) of SEBI (Listing 'Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that BSR & CO, LLP, Chartered Accountants (Registration Number 101248W/W-100022 have issued unmodified opinion in respect of the Audited Financial Results (Standalone & Consolidated) of the Company for the year ended 31st March, 2020.

Please take the above documents on record and oblige.

Thanking you,

Yours faithfully

For **PUNJAB CHEMICALS AND
CROP PROTECTION LIMITED**

**SHALIL SHROFF
MANAGING DIRECTOR**

and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view, and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

4. Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual 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 consolidated annual 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 consolidated annual 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. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and 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 appropriateness of this assumption. 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 consolidated annual 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 Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entity within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entity included in the consolidated financial results of which we are the independent auditors. For the other entity included in the consolidated annual financial results, which has been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by it. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company included in the consolidated annual financial results of which we are the independent auditors 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.

We also performed procedures in accordance with the circular No CIR/CFD-CMD1/44/2019 issued by the SEBI (under Regulation 33(8)) of the Listing Regulations, as amended, to the extent applicable.

5. Other Matters

- (a) The consolidated annual financial results include the audited financial results of one subsidiary, whose financial results reflect Group's share of total assets (before consolidation adjustments) of Rs. 64 lakhs as at 31 March 2020, Group's share of total revenue (before consolidation adjustments) of Rs. 924 lakhs and Group's share of total net profit after tax (before consolidation adjustments) of Rs. 59 lakhs and Group's share of net cash inflows of Rs 44 lakhs for the year ended on that date, as considered in the consolidated annual financial results, which has been audited by its independent auditor. The independent auditors' report on the financial results of this entity has been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us as stated in paragraph above.

The aforesaid subsidiary is located outside India whose financial information has been prepared in accordance with accounting principles generally accepted in their respective country and which has been audited by other auditor under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial information of the subsidiary located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of the subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Company and audited by us.

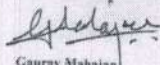
Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

- (b) The consolidated annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.



(e) The consolidated results of corresponding quarter ended 31 March 2019, as reported in these financial results have been approved by the holding company's Board of Directors, but have not been subjected to audit review since the requirement of submission of quarterly consolidated financial results has become mandatory only from 1 April 2019.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W / W-100022



Gaurav Mahajan
Partner
Membership Number: 507857
UDIN: 20507857AAAAAY2187

Place: Chandigarh
Date: 29 June 2020