

9th September, 2020

BSE Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

Dear Sir/ Madam,

Sub: Outcome of Board meeting held on 9th September, 2020
Re: Unaudited Financial Results for quarter ended 30th June, 2020
Ref: Company Code No. 526821.

The Board of Directors of the Company at its meeting held on Wednesday, 9th September, 2020, has considered and approved Standalone and Consolidated Unaudited Financial Results of the Company for the quarter ended 30th June, 2020. Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following;

1. Un-audited Financial Results (Consolidated and Standalone) for the quarter ended 30th June, 2020; and
2. Limited Review Reports by the Statutory Auditors of the Company on the aforesaid Un-audited Financial Results.

We are also arranging to publish the above financial results in the newspapers, as per Regulation 47(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindy take the above information on your record.

Yours faithfully,
For **DAI-ICHI KARKARIA LIMITED**

Kavita
Bhavesh
Thadeshwar

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Kavita Thadeshwar
Company Secretary

Encl: as above

Limited review report on unaudited quarterly standalone financial results of Dai-Ichi Karkaria Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To Board of Directors of
Dai-Ichi Karkaria Limited**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Dai-Ichi Karkaria Limited for the quarter ended 30 June 2020 (“the Statement”).
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 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 and in compliance with Regulation 33 of the Listing Regulations. 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the three months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of the previous financial year had only been reviewed and not subjected to audit.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

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Balajirao Pothana

Partner

Membership No: 122632

UDIN: 20122632AAAABL9438

Mumbai
9 September 2020

DAI-ICHI KARKARIA LIMITED
CIN: L24100MH1960PLC011681

Regd. Off. Liberty Building, Sir V. T. marg, New Marine lines, Mumbai : 400 020

Statement of Standalone Unaudited Financial Results for the Quarter ended 30 June 2020

(Rs. In lakhs)

	Quarter ended			Year ended
	30-06-2020 Unaudited	31-03-2020 Audited (Refer Note No 3 below)	30-06-2019 Unaudited	31-03-2020 Audited
1 Revenue from operations	1,782	2,637	2,321	10,717
2 Other income	86	157	33	384
3 Total Income (1+2)	1,868	2,794	2,354	11,101
4 Expenses				
(a) Cost of materials consumed	1,224	1,930	1,576	7,448
(b) Changes in inventories of finished goods and work-in-progress	61	(148)	(20)	(297)
(c) Employee benefits expenses	352	443	389	1,615
(d) Finance costs	263	247	259	1,024
(e) Depreciation and amortisation expense	234	238	221	946
(f) Other expenses	427	747	489	2,459
Total Expenses	2,561	3,457	2,914	13,195
5 (Loss) before exceptional item (3-4)	(693)	(663)	(560)	(2,094)
6 Exceptional item				
Cost for settlement of litigation (Refer Note 4)	-	-	-	(400)
7 (Loss) after exceptional item before tax (5-6)	(693)	(663)	(560)	(2,494)
8 Tax (benefit) :				
(a) Current Tax	-	-	-	-
(b) Deferred Tax	-	-	-	-
9 (Loss) for the period (7-8)	(693)	(663)	(560)	(2,494)
10 Other Comprehensive Income/ (Expense)				
A a) Items that will not be reclassified to Profit & Loss	(3)	(2)	(3)	(13)
b) Income Tax relating to items that will not be reclassified to Profit & Loss	-	-	-	-
11 Total Comprehensive Income for the period (9+10) (net of taxes)	(696)	(665)	(563)	(2,507)
12 Paid up Equity Share Capital (Face Value of Rs.10/- per share)	745	745	745	745
13 Earnings per Equity Share basic and diluted (of Rs.10/- each) (Not annualised)	(9.30)	(8.90)	(7.52)	(33.47)

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Notes :

- 1) The above unaudited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 9 September 2020. The figures for the quarter ended 30 June 2020 have been subjected to limited review by the statutory auditors. The auditors have expressed an unmodified opinion on the limited review report for the quarter ended 30 June 2020.
- 2) The Company's management, pursuant to 'Ind AS 108 – Operating Segments' has concluded that the Company has only one reportable segment which is Specialty Chemicals. Accordingly, no separate disclosures of segment information have been made.
- 3) The figures in respect of for the quarter ended 31 March 2020 are the balancing figures between the audited figures in respect of full financial year and the published year to date figures up to third quarter of the respective financial year.
- 4) A Writ Petition in Mumbai High Court filed by Hind Kamgar Sanghtana (HKS) an unrecognised union, was dismissed by the High Court in April, 2019. Though the High Court Order was in favour of the Company, there were other pending litigations initiated by HKS which would have taken time to be disposed of, resulting in a delay in monetizing the land at Kasarwadi.
In order to expedite monetization of Kasarwadi Land, the Company had executed Consent Terms with Hind Kamgar Sanghtana on 1 November 2019 for settling the long drawn Labour Issue. As per the Consent Terms an amount of Rs. 400 lakhs was paid to HKS and certain workers. All the litigations from High Court and Industrial Court are withdrawn. The Company is now able to freely move the equipment, stock and other property from the Kasarwadi Plant.
- 5) The Company has entered into an Agreement for Sale (AFS) on 9 July 2020 with Gera Developments Private Limited, Pune, for sale of its Land Parcel of its undertaking situated at 105th Milestone, Mumbai-Pune Road, P.O. Kasarwadi, Pune – 411034 for an amount of Rs. 15,350 lakhs (Rupees One Hundred Fifty Three Cores and Fifty Lakhs Only.)
- 6) The Company had temporarily suspended manufacturing operations at its facility at Dahej in the last week of March 2020 due to the nationwide lockdown to contain the spread of COVID-19 which had impacted the Company's operations. Dahej plant restarted its operations from 3 April 2020. in a phased manner. The Company has carried out a detailed assessment of the impact of COVID-19 on its liquidity position and on the recoverability and carrying values of its assets and has concluded that there is no significant impact on account of the same on its financial results as at 30 June 2020. The Company believes that, in the preparation of the standalone financial results, it has taken into account all known events arising from COVID-19 pandemic. However, the Company will continue to monitor any material changes to future economic conditions.
- 7) The Government of India, on 20 September 2019, vide the Taxation Laws (Amendment) ordinance 2019, inserted in new section 115BAB in the Income Tax Act, 1961, which provides an option to the company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company has decided to continue under the existing provisions of the Income Tax Act, 1961
- 8) Figures are rounded off to the nearest lakh.

For and on behalf of the Board

Shernaz
Firoze Vakil

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S. F. Vakil

Chairperson & Managing Director

Place : Mumbai

Dated : 9 September 2020

Limited review report on unaudited quarterly consolidated financial results of Dai-Ichi Karkaria Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To Board of Directors of
Dai-Ichi Karkaria Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Dai-Ichi Karkaria Limited (“the Parent”) and its subsidiary (the Parent and its subsidiary together referred to as “the Group”), and its share of the net profit after tax and total comprehensive income of its joint venture for the quarter ended 30 June 2020 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).
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 and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.
4. The Statement includes the results of the following entities:
 - Dai-Ichi Gosei Chemicals (India) Limited – Subsidiary
 - ChampionX Dai-Ichi India Private Limited – Joint venture
5. Attention is drawn to the fact that the figures for the three months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of the previous financial year had only been reviewed and not subjected to audit.

Dai-Ichi Karkaria Limited

Limited review report on unaudited quarterly consolidated financial results of Dai-Ichi Karkaria Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

6. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No: 101248W/W-100022

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Balajirao Pothana
Partner

Membership No: 122632
UDIN: 20122632AAAABM1531

Mumbai
9 September 2020

Regd. Off. Liberty Building, Sir V. T. marg, New Marine lines, Mumbai : 400 020

Statement of Consolidated Unaudited Financial Results for the Quarter ended 30 June 2020

(Rs. In lakhs)

	Quarter ended			Year ended
	30-06-2020 Unaudited	31-03-2020 Audited (Refer Note No 3 below)	30-06-2019 Unaudited	31-03-2020 Audited
1 Revenue from operations	1,782	2,637	2,321	10,717
2 Other income	86	157	33	384
3 Total Income (1+2)	1,868	2,794	2,354	11,101
4 Expenses				
(a) Cost of materials consumed	1,224	1,930	1,576	7,448
(b) Changes in inventories of finished goods and work-in-progress	61	(148)	(20)	(297)
(c) Employee benefits expenses	352	443	389	1,615
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Total Expenses	2,561	3,456	2,914	13,195
5 (Loss) before exceptional item (3-4)	(693)	(662)	(560)	(2,094)
6 Exceptional item				
Cost for settlement of litigation (Refer Note 4)	-	-	-	(400)
7 (Loss) after exceptional item before tax (5-6)	(693)	(662)	(560)	(2,494)
8 Tax (benefit) :				
(a) Current Tax	-	-	-	-
(b) Deferred Tax	-	-	-	-
9 (Loss) for the period (7-8)	(693)	(662)	(560)	(2,494)
10 Share of Profit of Joint Venture	70	81	14	202
11 Net (Loss)/Profit after tax after share of profit of Joint venture (9+10)	(623)	(581)	(546)	(2,292)
12 Profit attributable to non controlling interest	* -	* -	* -	* -
13 (Loss)/Profit after non controlling Interest (11-12)	(623)	(581)	(546)	(2,292)
14 Other Comprehensive Income/ (Expense)				
A a) Items that will not be reclassified to Profit & Loss	(3)	(2)	(3)	(13)
b) Income Tax relating to items that will not be reclassified to Profit & Loss	-	-	-	-
c) Share of Profit in Joint Ventures (Net of Tax)	* -	1	(1)	(1)
15 Total Comprehensive Income for the period (13+14) (net of taxes)	(626)	(582)	(550)	(2,306)
16 Paid up Equity Share Capital (Face Value of Rs.10/- per share)	745	745	745	745
17 Earnings per Equity Share basic and diluted (of Rs.10/- each) (Not annualised)	(8.36)	(7.80)	(7.33)	(30.75)

* Represents amount less than Rs 1 lakh

Notes :

- 1) The above unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors of Dai-ichi Karkaria Limited ("The Company" or "the Parent") at their respective meetings held on 9 September 2020. The figures for the quarter ended 30 June 2020 have been subjected to limited review by the statutory auditors. The auditors have expressed an unmodified opinion on the limited review report for the quarter ended 30 June 2020.
- 2) The Company's management, pursuant to 'Ind AS 108 – Operating Segments' has concluded that the Company has only one reportable segment which is Specialty Chemicals. Accordingly, no separate disclosures of segment information have been made.
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- 7) The Government of India, on 20 September 2019, vide the Taxation Laws (Amendment) ordinance 2019, inserted in new section 115BAB in the Income Tax Act, 1961, which provides an option to the company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Group has decided to continue under the existing provisions of the Income Tax Act, 1961
- 8) Figures are rounded off to the nearest lakh.

Place : Mumbai

Dated : 9 September 2020

For and on behalf of the Board

Shernaz

Firoze Vakil

S. F. Vakil

Chairperson & Managing Director

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