



August 12, 2020

To,

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| National Stock Exchange of India Ltd. Exchange Plaza Bldg. 5 th Floor, Plot No.C-1 'G' Block, Near Wockhardt, Bandra Kurla Complex Mumbai 400 051. Fax:26598237/38 Scrip Code : DCW | BSE Limited Department of Corporate Services, 1st floor, New Trading Ring Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. Fax : 22723121/3719/2037/2039 Scrip Code :500117 |
|---|---|

Dear Sir/Madam,

Sub.: Outcome of Board Meeting held on August 12, 2020 in terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors at its meeting held on today i.e. August 12, 2020, inter alia, have approved and take on record the unaudited Financial Results of the Company for the first Quarter ended June 30, 2020.

Accordingly, we are enclosing herewith a copy of Unaudited Financial Results of the Company for the first Quarter ended June 30, 2020 alongwith Limited Review Report on the said Unaudited Financial Result issued by M/s Chhajed Doshi, Statutory Auditors of the Company.

The Board Meeting commenced at 12:00 noon (IST) and concluded at 1.45 p.m. (IST).

These results are also being made available on the website of the Company at www.dcwlimited.com

This is for your information and records.

Thanking You,

Yours faithfully,
For DCW Limited


Name: Dilip Darji
General Manager (Legal) & Company Secretary
Membership No. ACS-22527



DCW LIMITED

HEAD OFFICE :
"NIRMAL" 3RD FLOOR, NARIMAN POINT, MUMBAI-400 021.
TEL.: 2287 1914, 2287 1916, 2202 0743 TELEFAX: 22 2202 8838
REGISTERED OFFICE : DHRANGADHRA - 363 315 (GUJRAT STATE)
Email: ho@dcwlimited.com, Website: www.dcwlimited.com, CIN-L24110GJ1939PLC000748

CHHAJED & DOSHI

CHARTERED ACCOUNTANTS

101, Hubtown Solaris,
Near East West Flyover,
N.S. Phadke Marg, Andheri (E),
Mumbai- 400 069

Review Report on Quarterly Unaudited Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors

DCW Limited

Mumbai

1. We have reviewed the accompanying statement of unaudited financial results of DCW Limited ('the company') for the quarter ended 30th June 2020 attached herewith being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, read with SEBI Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The preparation of the statement is the responsibility of the Company's Management in accordance with applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013, read with relevant rules and has been approved by the Board of directors at their meeting held on 12th August, 2020. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder 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 Obligation and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. Emphasis of Matters

5.1 We draw attention to Note No. 4 to the financial results which describe the uncertainty related to the outcome of the petitions/appeals filed by the company in the matter of:

- a. electricity tax demand of Rs. 6429.26 lakhs on captive power generated and other matters during the period 2003 to 2019;
- b. custom duty demand of Rs. 3164.60 lakhs of coal imported and other matters by the company during 2011 and 2012; and
- c. Execution of assignment deeds of the lands at Sahapuram works in respect of which the state government has issued notice of repossession and demanded lease rent for the period occupied by the company. The land is treated as freehold.

No provision has been made for the aforesaid demands in view of the factors stated in the said note.

5.2 Effects of COVID-19: We draw attention to Note No.5 to the financial results, which describes the impact of the outbreak of coronavirus (COVID-19) on the business operations of the company. In view of highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Our conclusion is not modified in respect of these matters.

For CHHAJED & DOSHI
Chartered Accountants
[Firm Reg. No.101794W]



CA. Piyush Chhajed
Partner
M. No. 108090



Place: Mumbai

Date: 12th August 2020

UDIN: 20108090AAAA B M 8 416


DCW LIMITED

Registered office : Dhrangadhra - 363315 (Gujarat)

Head Office : 'Nirmal', Nariman Point , Mumbai - 400021.

Website : www.dcwtd.com , Telephone : 22871914/16.

Telefax : 22 22028838, E-mail : ho@dcwtd.com

CIN : L24110GJ1939PLC000748

(Rs. In Lakhs)

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2020 :

| PARTICULARS | QUARTER ENDED | | | YEAR |
|---|-------------------|-------------------|------------------|-------------------|
| | 30.06.2020 | 31.03.2020 | 30.06.2019 | ENDED |
| | Unaudited | Audited | Unaudited | 31.03.2020 |
| | | | | Audited |
| REVENUE | | | | |
| 1. Revenue From Operations | 28,459.10 | 29,359.09 | 31,582.56 | 127,727.68 |
| 2. Other Income | 82.34 | 455.90 | 71.44 | 862.20 |
| 3. TOTAL INCOME | 28,541.44 | 29,814.99 | 31,654.00 | 128,589.88 |
| 4. EXPENSES | | | | |
| a. Cost of materials consumed | 12,196.26 | 15,914.88 | 15,521.00 | 65,058.30 |
| b. Purchase of stock-in-trade | 15.26 | 45.66 | 10.00 | 70.20 |
| c. Changes in inventories of finished goods | 368.99 | (614.25) | (1,113.48) | (1,531.96) |
| d. Employee benefits expense | 3,543.58 | 3,240.23 | 3,042.96 | 12,251.93 |
| e. Finance Cost | 2,772.45 | 2,896.85 | 2,580.70 | 10,745.27 |
| f. Depreciation | 2,162.92 | 2,187.44 | 2,174.77 | 8,720.79 |
| g. Other expenses: | | | | |
| Power & Fuel | 5,007.99 | 4,743.34 | 5,492.06 | 20,333.77 |
| Other Expenses | 4,071.51 | 4,991.73 | 3,765.93 | 16,907.42 |
| 5. TOTAL EXPENSES | 30,138.96 | 33,405.86 | 31,473.94 | 132,555.72 |
| 6. Profit / (Loss) before exceptional items and tax | (1,597.52) | (3,590.87) | 180.07 | (3,965.84) |
| 7. Exceptional items | - | - | - | - |
| 8. Profit / (Loss) before tax | (1,597.52) | (3,590.87) | 180.07 | (3,965.84) |
| Tax expense : | | | | |
| a. Current tax | - | - | 32.00 | - |
| b. Deferred tax | (613.80) | (1,085.13) | (2.68) | (1,289.68) |
| 9. TOTAL TAX EXPENSE | (613.80) | (1,085.13) | 29.32 | (1,289.68) |
| 10. Net Profit / (Loss) For the period | (983.72) | (2,505.74) | 150.75 | (2,676.16) |
| 11. Other Comprehensive Income / (Loss) | | | | |
| A i) Items that will not be reclassified to profit or loss | | | | |
| (Actuarial gain / (loss) on employee defined benefit fund recognised in Other Comprehensive Income) | 37.16 | 68.73 | 26.63 | 148.62 |
| A ii) Income tax relating to items that will not be reclassified to profit or loss | (13.01) | (24.06) | (9.32) | (52.02) |
| B i) Items that will not be reclassified to profit or loss | - | - | - | - |
| B ii) Income tax relating to items that will be reclassified to profit or loss | - | - | - | - |
| Total Other Comprehensive Income | 24.15 | 44.67 | 17.31 | 96.60 |
| 12. Total Comprehensive Income | (959.57) | (2,461.07) | 133.44 | (2,579.56) |
| 13. Paid-up equity share capital (Face value of Rs. 2/- each) | 5,220.61 | 5,220.61 | 4,419.75 | 5,220.61 |
| 14. Earnings per share (Basic and Diluted) | (0.38) | (0.96) | 0.07 | (1.12) |
| * Not annualised | * | * | * | |

| PARTICULARS | QUARTER ENDED | | | YEAR |
|---|-------------------|-------------------|-------------------|-------------------|
| | 30.06.2020 | 31.03.2020 | 30.06.2019 | ENDED |
| | Unaudited | Audited | Unaudited | 31.03.2020 |
| | | | | Audited |
| i) Segment Revenue : (Gross Income) | | | | |
| a. Soda Ash | 3,669.17 | 4,192.42 | 5,570.76 | 19,826.49 |
| b. Caustic Soda | 12,133.92 | 10,435.79 | 12,622.58 | 46,752.95 |
| c. Synthetic Iron Oxide Pigment | 1,029.77 | 1,446.76 | 666.59 | 3,963.70 |
| d. PVC | 8,479.29 | 10,859.89 | 10,561.62 | 45,409.88 |
| e. CPVC | 2,659.41 | 2,151.75 | 1,743.45 | 10,294.88 |
| e. Others / Unallocated | 487.54 | 272.49 | 417.56 | 1,479.78 |
| Gross Sales from operation | 28,459.10 | 29,359.10 | 31,582.56 | 127,727.69 |
| ii. Segment Results : (Profit before Interest and Tax) | | | | |
| a. Soda Ash | 101.44 | 572.99 | 1,357.30 | 3,473.65 |
| b. Caustic Soda | 537.66 | (22.16) | 2,273.50 | 5,327.84 |
| c. Synthetic Iron Oxide Pigment | (564.47) | (526.18) | (606.75) | (2,239.98) |
| d. PVC | 270.64 | (949.31) | (444.11) | (1,795.05) |
| e. CPVC | 526.57 | 189.68 | (55.56) | 1,264.80 |
| f. Others / Unallocated | 303.09 | 40.97 | 236.39 | 748.19 |
| Total : | 1,174.93 | (694.02) | 2,760.77 | 6,779.44 |
| Less : Interest | 2,772.45 | 2,896.85 | 2,580.70 | 10,745.27 |
| Exceptional Items - (Profit) / Loss | - | - | - | - |
| TOTAL PROFIT BEFORE TAX | (1,597.52) | (3,590.87) | 180.07 | (3,965.84) |
| iii. Capital Employed (Segment Assets) | | | | |
| a. Soda Ash | 31,460.44 | 29,564.35 | 31,379.26 | 29,564.35 |
| b. Caustic Soda | 47,905.43 | 50,167.49 | 57,765.86 | 50,167.49 |
| c. Synthetic Iron Oxide Pigment | 39,810.84 | 40,606.70 | 41,923.80 | 40,606.70 |
| d. PVC | 16,753.80 | 18,864.84 | 13,599.94 | 18,864.84 |
| e. CPVC | 29,357.19 | 29,174.72 | 30,401.79 | 29,174.72 |
| f. Others / Unallocated | 10,866.35 | 10,721.41 | 14,366.81 | 10,721.41 |
| Total : | 176,154.05 | 179,099.51 | 189,437.46 | 179,099.51 |
| iii. Capital Employed (Segment Liability) | | | | |
| a. Soda Ash | 5,345.06 | 5,460.27 | 6,469.56 | 5,460.27 |
| b. Caustic Soda | 14,948.10 | 18,259.15 | 22,951.48 | 18,259.15 |
| c. Synthetic Iron Oxide Pigment | 2,595.51 | 1,884.76 | 2,330.15 | 1,884.76 |
| d. PVC | 25,747.61 | 23,013.33 | 24,439.58 | 23,013.33 |
| e. CPVC | 2,776.96 | 3,019.88 | 2,512.71 | 3,019.88 |
| f. Others / Unallocated | 9,269.90 | 9,680.86 | 1,286.84 | 9,680.86 |
| Total : | 60,683.14 | 61,318.25 | 59,990.32 | 61,318.25 |

NOTES :

1. The above financial results are drawn in accordance with the accounting policies consistently followed by the Company. The results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 12th August, 2020.
2. The results for the quarter ended 30th June, 2020 are in compliance with IND-AS as prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
3. Certain provisions relating to Employees benefits, Tax Expense etc. are made on estimated / proportionate basis which are subject to adjustments, if any, at the year end.

4.:

- A. Tamil Nadu Electricity Tax demand of Rs. 6429.26 lacs in respect of captive power generated at Sahupuram unit for the period 2003 to 2019, the Company has been legally advised and is hopeful of favourable outcome before the Supreme Court on the invalidity of and the retrospective application of the Amending Act of 2003 and in the writ petition filed before the Hon'ble Madras High Court. No provision is considered necessary by the management for the Electricity tax demand.
- B. In respect of demand of differential duty of Customs of Rs. 3164.60 lacs in respect of coal imports in earlier years the Company has been legally advised that it has the fair chance of success before CESTAT. Accordingly no provision has been made in the accounts.
- C. In the matter of re-possession notice issued by the State Government and demand of lease rent relating to land at Sahupuram works for which the assignment deeds are still to be executed, the Company has been legally advised that it has very good case and hence the ownership of the land would be eventually transferred in the name of the Company as per Sec.53A of the Transfer of Property Act. Accordingly the said land is treated as "freehold".

5. Covid-19 Impact Analysis :

"The outbreak of corona virus (COVID-19) pandemic globally and in India is causing disturbance and slowdown of economic activity. The Company's operations and revenue during the current quarter were impacted due to COVID-19. The Company has taken into account the possible impact of COVID-19 in preparation of the unaudited financial results, including its assessment of recoverable value of its assets based on internal and external information upto the date of approval of these unaudited financial results and current indicators of future economic conditions."

Moratorium in accordance with RBI guidelines:

The Company has availed the first and second moratorium offered by Reserve Bank of India (RBI). The Company's management is confident of its ability to service its debt obligations and meet other financial commitments. The Company is in process of conserving its cash resources in the best possible way in order to maintain its liquidity position.

6. The figures for the corresponding previous periods have been restated / regrouped wherever necessary, to make them comparable.

For and on behalf of the Board of Directors

Place : Mumbai
Dated : 12th August, 2020



Pramod Kumar Jain
Chairman & Managing Director

DIN : 00380258

DCW LIMITED - Manufacturers of CHEMICALS THAT MAKE INDUSTRIES HUM
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