



M/s Maheshwari & Co. Chartered Accountants

Independent Auditor's Report on the Quarterly and Year to Date Audited Financial Results of TRANSCHEM LIMITED Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**To,
The Board of Directors of
Transchem Limited**

Report on the audit of the Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date financial results of **Transchem Limited** (the "Company") for the quarter and year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit / (loss) and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to **Note 7** to the accompanying annual financial results, which describe management's assessment of uncertainty relating to the effects of the COVID-19 pandemic on the Company's operations & other related Matters.

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Financial Results

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and



fair view of the net profit/(loss) and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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 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 made by the Board of Directors.
- Conclude on the appropriateness of the 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



M/s Maheshwari & Co. Chartered Accountants

conditions that may cast significant doubt on the Company's ability to continue as a going concern. 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 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 Statement, including the disclosures, and whether the Statement represents 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.

Other Matters

Post 31 March 2020, the Company, has sold out its undertaking known as "Mushroom Plant" consisting of pieces and parcels of lands or ground bearing Gat nos. 379, 382, 380, 381, 384, 416 (part), 433, 434, 435, 438, 436 (part), and 383 of Village Bebadohal and Gat no. 579 (part) of Village Urse, Taluka Maval, District Pune 410 506, together with its land, structures, machinery & fixtures therein ("Property") for an aggregate consideration of Rs.26.00Crores to M/s Manegrow Agro Products, a partnership firm registered under the provisions of the Indian Partnership Act, 1932, having its principal place of business at Sai Palace, Plot No. 22, Sneh Park Society, Survey No. 71-72, Pancard Club Road, Baner, Pune 411045. The sale deed has been registered with competent authorities on June 17, 2020. Our report on the Statement is not modified in respect of this matter.

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For Maheshwari and Co.
Chartered Accountants
FRN: 105834W



(K. K. Maloo)
Partner
(M. No. 075872)

Place: Mumbai
Date: 30th June 2020
UDIN: 20075872AAAAEB2566

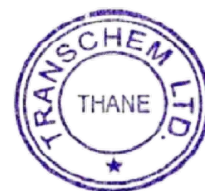


TRANSCHEM LIMITED

Statement of Audited Financial Results for the Quarter and Year Ended 31 March 2020

(₹. In Lakhs, unless otherwise stated)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31 Mar 20	31 Dec 19	31 Mar 19	31 Mar 2020	31 Mar 2019
		(Audited) #	(Unaudited)	(Audited) #	(Audited)	(Audited)
1	Income					
	a) Income from operations	-	-	-	-	-
	b) Other Income	66.72	69.04	73.56	275.97	292.59
	Total Income	66.72	69.04	73.56	275.97	292.59
2	Expenses					
	a) Cost of materials consumed	-	-	-	-	-
	b) Employee benefit expenses	17.60	17.39	17.71	66.41	47.56
	c) Depreciation and amortisation expenses	14.24	14.24	14.16	57.34	79.85
	d) Finance costs	-	0.01	-	0.03	0.01
	e) Other expenses	35.69	14.26	17.26	72.94	87.66
	Total Expenses	67.53	45.90	49.13	196.72	215.08
3	Profit / (Loss) before exceptional items (1-2)	(0.81)	23.14	24.43	79.25	77.51
4	Exceptional Items	-	-	-	-	-
5	Profit / (Loss) before tax (3-4)	(0.81)	23.14	24.43	79.25	77.51
6	Tax expense	3.80	12.00	47.00	38.30	47.00
7	Net Profit / (Loss) for the period/year (5-6)	(4.61)	11.14	(22.57)	40.95	30.51
8	Other comprehensive income (OCI) (Net of tax)					
	<u>Items that will not be reclassified to profit or loss</u>					
	- Re-measurement gain/ (losses) on defined benefit plans	(0.20)	-	51.73	(0.20)	(1.43)
	- Net gain / (loss) on equity instruments designated at FVTOCI	(113.11)	52.45	(1.43)	(161.92)	87.90
	- Tax effect on above items	-	-	-	-	-
9	Total comprehensive income for the period (net of tax) (7+8)	(117.92)	63.59	27.73	(121.17)	116.98
10	Paid-up Equity Share Capital	1,224.00	1,224.00	1,224.00	1,224.00	1,224.00
	(Face value ₹10 per share)					
11	Other Equity	NA	NA	NA	2,452.50	2,573.67
12	Earning per share (EPS) (in ₹) (not annualised)					
	i). Basic EPS	(0.04)	0.09	(0.18)	0.33	0.25
	ii). Diluted EPS	(0.04)	0.09	(0.18)	0.33	0.25



CIN : L24100MH1976PLC019327

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Tel.: 022-2547 7077 Telefax : 022-2547 3601 E-mail : secretary@transchem.net Website : www.transchem.net



TRANSCHEM LIMITED

Statement of Assets and Liabilities

(₹ In Lakhs, unless otherwise stated)		
Particulars	As at 31 March 2020 Audited	As at 31 March 2019 Audited
Assets		
Non - Current Assets		
Property, Plant and Equipment	370.14	427.48
Financial Assets		
Investments	368.59	592.79
Deferred Tax Assets (net)	-	-
Sub Total - Non - Current Assets	738.73	1,020.27
Current Assets		
Financial Assets		
Inventories	8.53	31.12
Cash and Cash Equivalents	1,637.16	1,633.34
Loans	1,205.01	1,102.43
Other Financial Assets	95.50	46.48
Other Current Assets	9.15	3.24
Current Tax Asset (Net)	12.74	-
Sub Total - Current Assets	2,968.09	2,816.61
Total Assets	3,706.82	3,836.88
Equity and Liabilities		
Equity		
Equity Share Capital	1,224.00	1,224.00
Other Equity	2,452.50	2,573.67
Sub Total - Equity	3,676.50	3,797.67
Liabilities		
Non Current Liabilities		
Provisions	20.75	17.17
Sub Total - Non-Current Liabilities	20.75	17.17
Current Liabilities		
Provisions	0.64	0.16
Other Current Liabilities	8.93	9.32
Current Tax Liability (Net)	-	12.56
Sub Total - Current Liabilities	9.57	22.04
Total Equity and Liabilities	3,706.82	3,836.88





TRANSCHEM LIMITED

Statement of Cash Flow for the Year Ended 31 March 2020			
(₹ In Lakhs, unless otherwise stated)			
		Year ended 31 March 2020 (Audited)	Year ended 31 March 2019 (Audited)
A	Cash Flows From Operating Activities		
	Profit / (Loss) Before Tax	79.25	77.51
	<u>Adjustments For:</u>		
	Depreciation and Amortization Expenses	57.34	79.85
	Mark to Market Gain / (Loss) on Inventories	-	(1.48)
	Capital Gains on Sale of Mutual Fund	(3.61)	(33.94)
	Loss on Sale of Plant & Machinery	-	17.45
	Investments written off	-	6.00
	Dividend on Mutual Funds	-	(9.41)
	Dividend on Equity shares	(1.24)	(1.35)
	Interest on Income Tax Refund	(0.69)	-
	Provision for gratuity and compensated absences expense	3.85	1.92
	Operating Profit before Working Capital Changes	134.90	136.55
	(Increase)/Decrease in Inventories	22.59	2.00
	(Increase)/Decrease in Loans and other Financial / Current Assets	(157.51)	913.74
	Increase/(Decrease) in Other Current Liabilities and Provisions	(0.37)	6.00
	Cash Generated from / (Used in) Operating Activities	(0.39)	1,058.29
	Direct taxes paid (net of refunds)	(62.91)	(24.64)
	Net Cash Generated from / (Used in) Operations (A)	(63.30)	1,033.65
B	Cash Flows From Investing Activities		
	Purchase of property, plant and equipment and other intangible assets	-	(0.43)
	Sale of property, plant and equipment and other intangible assets	-	18.86
	(Payments) towards purchase of Non Current Investments	(65.95)	(308.21)
	Proceeds from sale of Non Current Investments	128.22	-
	(Payments) towards purchase of Current Investments	(1,600.00)	(150.00)
	Proceeds from Sale of Current Investments	1,603.61	1,002.08
	Dividend Received from Mutual Funds	-	9.41
	Dividend Received from Equity shares	1.24	1.35
	Net Cash Generated from Investing Activities (B)	67.12	573.06
C	Cash Flows From Financing Activities	-	-
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	3.82	1,606.71
	Cash and Cash Equivalent as at beginning of the year	1,633.34	26.64
	Cash and Cash Equivalent as at ending of the year	1,637.16	1,633.34

Note:

- 1) The above cash flow statement has been prepared under the "Indirect Method" as per Indian Accounting Standard (Ind-AS) 7.
- 2) Figures in brackets indicate cash outflow and without brackets indicate cash inflow.



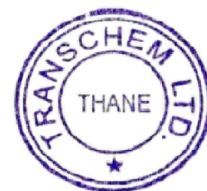


TRANSCHEM LIMITED

Notes:

- 1 The Audited Financial Results of Transchem Limited ('the Company') for the quarter and year ended 31 March 2020 have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their meeting held on 30 June 2020.
- 2 During the year ended 31 March 2020 and year ended 31 March 2019, the Company does not have revenue from operations and hence for the purpose of disclosure of segment information, the Company does not have a business segment. Further, the Company operates in India and accordingly no disclosures are required under secondary segment reporting.
- 3 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013, read with rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) Accounting Rules, 2016.
- 4 The above results of the Company has been audited by the statutory auditors and they have issued an unqualified audit opinion on the same.
- 5 The figures for the quarter ended 31 March, 2020 and 31 March, 2019 mentioned in the above financial results are the balancing figures between the audited figures for the whole financial year(s) and the year to date unaudited figures published up to the third quarter of the said financial years.
- 6 Post 31 March 2020, the Company, has sold out its undertaking known as "Mushroom Plant" consisting of pieces and parcels of lands or ground bearing Gat nos. 379, 382, 380, 381, 384, 416 (part), 433, 434, 435, 438, 436 (part), and 383 of Village Bebadohal and Gat no. 579 (part) of Village Urse, Taluka Maval, District Pune 410 506, together with its land, structures, machinery and fixtures therein ("Property") for an aggregate consideration of Rs.26.00 Crores to M/s Manegrow Agro Products, a partnership firm registered under the provisions of the Indian Partnership Act, 1932, having its principal place of business at Sai Palace, Plot No. 22, Sneh Park Society, Survey No. 71-72, Pancard Club Road, Baner, Pune 411 045. The sale deed has been registered with competent authorities on 17 June 2020.
- 7 The spread of COVID-19 pandemic affected activities of businesses across the globe. In many countries, including India, there has been severe disruption to regular business operations due to lock-downs, disruptions in transportation, travel bans, quarantines, social distancing and such other emergency measures. In assessing the recoverability of receivables, inventories, loans and other financial assets, the Company has considered internal and external information up to the date of approval of the financial results / statements. Considering the uncertainties involved in estimating the impact of this pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these financial results / statements.
- 8 Previous period figures have been regrouped/rearranged wherever considered necessary, to correspond with the current period / year classification / disclosures.

For Transchem Limited,



Mirza Saeed Kazi
Director
DIN:03348588

Place: Thane
Date: 30 June 2020

