

June 19, 2020

To,  
Department of Corporate Services  
BSE Limited,  
25, P. J. Towers,  
Dalal Street,  
Mumbai – 400 001

Sub: Outcome of the Board Meeting held on June 19, 2020

**Scrip Code: 500120**

Respected Sir/Ma'am,

This is to inform you that at the meeting of the Board of Directors of the Company held today, the following businesses were transacted *inter alia*:

1. The Board has considered and approved the Audited Financial Report along with Auditor's Report for the quarter and year ended March 31, 2020 as per regulation 33 of SEBI (LODR) Regulations, 2015.
2. The Board has recommended final dividend of @ 40 % (₹ 4.00 per Equity share of Rs. 10 each) for the year ended March 31, 2020.


The meeting started at 11.20 a.m. and concluded at 1.30 pm

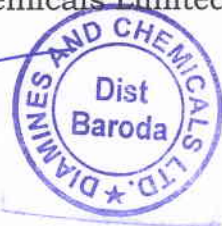
Further, pursuant to SEBI (Prohibition of Insider Trading) Regulations and as per the 'Policy on Disclosure and Internal Procedure for Prevention of Insider Trading' adopted by the Company, the Trading Window for the Directors and designated employees of Company was closed from April 01, 2020 and it will be opened on June 22, 2020.

Kindly take the above mentioned information on records.

Thanking You,

Yours Faithfully,  
For Diamines and Chemicals Limited

  
Hemaxi Pawar  
Company Secretary  
Encl. As above





## INDEPENDENT AUDITORS' REPORT

To  
The Board of Directors of  
Diamines and Chemicals Limited

### Report on the Audit of Annual Financial Results

#### Opinion

We have audited the accompanying annual financial results of Diamines and Chemicals Limited (hereinafter referred to as the "Company") for the year ended March 31, 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 ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid annual financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the 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 ("Act"). Our responsibilities under those Standards are further described in the *Auditors' Responsibilities for the Audit of the Annual 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.

#### Management's Responsibilities for the annual financial results

These annual financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company in





# K C Mehta & Co.

Chartered Accountants

accordance with the Indian 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. The Board of Directors of the company are responsible for 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Board of Directors of the Company is responsible for assessing the ability of the 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 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 of the Company is also responsible for overseeing the Company's financial reporting process.

## Auditors' Responsibilities for the Audit of the annual financial results

Our objectives are to obtain reasonable assurance about whether the annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 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 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.





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Chartered Accountants

- 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 conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the 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 Auditors' 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 annual financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company 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 Matter

The annual financial results include the results for the quarter ended March 31, 2020 being the balancing figures 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 K. C. Mehta & Co.

Chartered Accountants

Firm's Registration No.106237W



Vishal P. Doshi

Partner

Membership No. 101533

UDIN: 20101533AAAABQ5173

Place: Vadodara

Date: June 19, 2020





**DIAMINES AND CHEMICALS LIMITED**

CIN : L24110GJ1976PLC002905

Registered Office : Plot No.13 P.C.C. Area, P.O.Petrochemicals, Dist.Vadodara 391346(Gujarat) Phone : 0265-3920200 Fax : 0265-2230218

Email : info@dacl.co.in Website : www.dacl.co.in

**PART I : STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020**

		Quarter ended			Year ended	
		31st March, 2020	31st December, 2019	31st March, 2019	31st March, 2020	31st March, 2019
		Audited	Unaudited	Audited	Audited	Audited
I	Revenue from Operations	2,001.54	1,803.17	1,168.88	6,929.93	4,731.63
II	Other Income	50.67	48.01	28.20	208.53	96.48
III	<b>Total Income (I+II)</b>	<b>2,052.21</b>	<b>1,851.18</b>	<b>1,197.08</b>	<b>7,138.46</b>	<b>4,828.11</b>
IV	Expenses:					
	(a) Cost of Material Consumed	304.21	343.74	378.01	1,261.82	1,527.88
	(b) Changes in Inventories of Finished Goods and Work-in-progress	156.18	(24.96)	(34.99)	176.74	(234.72)
	(c) Employee Benefit Expenses	153.18	135.87	126.33	538.02	447.79
	(d) Finance Costs	0.97	3.93	3.19	7.82	7.06
	(e) Depreciation and amortisation expense	44.70	54.95	48.75	206.45	200.64
	(f) Other Expenses	375.47	345.40	287.41	1,430.27	1,097.55
	<b>Total Expenses</b>	<b>1,034.71</b>	<b>858.93</b>	<b>808.70</b>	<b>3,621.12</b>	<b>3,046.20</b>
V	<b>Profit before tax (III-IV)</b>	<b>1,017.50</b>	<b>992.25</b>	<b>388.38</b>	<b>3,517.34</b>	<b>1,781.91</b>
VI	Tax Expense:					
	(a) Current Tax	341.08	327.65	90.10	1,126.35	447.20
	(b) Tax relating to earlier years	14.44	9.25	(2.10)	(13.18)	(6.41)
	(c) Deferred Tax	(20.10)	(8.33)	17.60	5.59	27.94
	<b>Total tax expenses</b>	<b>335.42</b>	<b>328.57</b>	<b>105.60</b>	<b>1,118.76</b>	<b>468.73</b>
VII	<b>Profit for the period (V-VI)</b>	<b>682.08</b>	<b>663.68</b>	<b>282.78</b>	<b>2,398.58</b>	<b>1,313.18</b>
VIII	Other Comprehensive Income (OCI)					
	A. Items that will not be reclassified subsequently to profit or loss					
	i. Remeasurement gain/(loss) on the Defined Benefit Plans	10.65	(12.20)	(7.64)	(25.95)	(8.49)
	ii. Gain/(Loss) on measuring equity instruments at Fair Value carried through Other Comprehensive Income (FVOCI)	(9.47)	(2.42)	(7.13)	(32.91)	(41.12)
	iii. Income tax on (i) above	(3.10)	3.55	2.22	7.56	2.47
	B. Items that will be reclassified subsequently to profit or loss	-	-	-	-	-
IX	<b>Total Comprehensive Income for the period (VII+VIII)</b>	<b>680.16</b>	<b>652.61</b>	<b>270.23</b>	<b>2,347.28</b>	<b>1,266.04</b>
X	<b>Paid-up Equity Share Capital (Face Value of ₹ 10 each)</b>	<b>978.32</b>	<b>978.32</b>	<b>978.32</b>	<b>978.32</b>	<b>978.32</b>
XI	<b>Other Equity</b>				<b>5,539.65</b>	<b>3,902.71</b>
XII	<b>Earnings per equity share (Face Value of ₹ 10 each) - (not annualised)</b>					
	Basic and Diluted (₹)	6.97	6.78	2.89	24.52	13.42





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Email : info@dacl.co.in Website : www.dacl.co.in

**PART II : SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES**

	Particulars	Quarter ended			Year ended	
		31st March, 2020	31st December, 2019	31st March, 2019	31st March, 2020	31st March, 2019
		Audited	Unaudited	Audited	Audited	Audited
<b>A.</b>	<b>Segment Revenue</b>					
	a. Speciality Chemicals	1,991.41	1,797.85	1,145.27	6,784.71	4,518.18
	b. Power Generation:					
	Total Power Generated	17.82	10.12	37.62	200.51	296.88
	Less: Captive power used for Speciality Chemicals	7.69	4.80	14.00	55.30	83.43
	Net as per Accounts	10.13	5.32	23.61	145.22	213.45
	<b>Revenue from Operations (a+b)</b>	<b>2,001.54</b>	<b>1,803.17</b>	<b>1,168.88</b>	<b>6,929.93</b>	<b>4,731.63</b>
<b>B.</b>	<b>Segment Results</b>					
	Profit (+) / Loss (-) before tax and interest					
	a. Speciality Chemicals *	981.95	983.46	372.36	3,326.09	1,601.98
	b. Power Generation: *	(1.41)	(13.50)	10.47	88.79	188.98
	Less: Captive power used for Speciality Chemicals	10.11	(7.68)	7.90	30.43	39.99
	<b>Total (a+b)</b>	<b>(11.52)</b>	<b>(5.82)</b>	<b>2.57</b>	<b>58.36</b>	<b>128.99</b>
	Less: Finance Cost	970.43	977.64	374.93	3,378.45	1,730.97
	Less: Other Unallocable expenditure net of Unallocable income	0.97	3.93	3.19	7.82	7.06
	<b>Profit before Tax</b>	<b>(48.04)</b>	<b>(18.54)</b>	<b>(16.64)</b>	<b>(146.71)</b>	<b>(58.00)</b>
		1,017.50	992.25	388.38	3,517.34	1,781.91
<b>C.</b>	<b>Segment Assets</b>					
	a. Speciality Chemicals	6,874.47	6,877.51	5,559.95	6,874.47	5,559.95
	b. Power Generation	552.14	697.36	608.07	552.14	608.07
	c. Others Non-allocated	206.74	1.89	25.33	206.74	25.33
	<b>Total</b>	<b>7,633.35</b>	<b>7,576.76</b>	<b>6,193.35</b>	<b>7,633.35</b>	<b>6,193.35</b>
<b>D.</b>	<b>Segment Liabilities</b>					
	a. Speciality Chemicals	1,115.38	831.69	1,312.32	1,115.38	1,312.32
	b. Power Generation	-	-	-	-	-
	c. Others Non-allocated	-	-	-	-	-
	<b>Total</b>	<b>1,115.38</b>	<b>831.69</b>	<b>1,312.32</b>	<b>1,115.38</b>	<b>1,312.32</b>

\* Individual segment profits for the Quarter ended 31st December, 2019, have been reclassified to appropriate individual segments results to give effect of Depreciation inadvertently interchanged between the two segments. There is no impact on the financial results for the quarter and period ended 31st December, 2019.





**DIAMINES AND CHEMICALS LIMITED**

CIN : 124110GJ1976PLC002905

Registered Office : Plot No.13 P.C.C. Area, P.O.Petrochemicals, Dist.Vadodara 391346(Gujarat) Phone : 0265-3920200.Fax : 0265-2230218

Email : info@dacel.co.in Website : www.dacel.co.in

**PART III : Statement of Cash Flows for the year ended on 31st March, 2020**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax	3,517.34	1,781.91
Adjustments for:		
Depreciation / Amortisation / Impairment of Property, Plant and Equipment	658.83	204.54
Dividend Income	-	(0.09)
Interest Income	(192.27)	(88.29)
Finance Costs	7.82	9.53
(Profit) / Loss on Property, Plant and Equipment Sold	(7.47)	(0.93)
Unrealised Loss on Foreign Exchange	0.19	4.34
Provision for Doubtful Receivables/Advances/Sundry balances written off	0.67	2.76
Provision/Advances/Sundry Balances written back	(4.04)	(0.26)
Provision for impairment in value of Inventories	-	4.14
Excess provision written back	-	(8.34)
Operating Profit/(Loss) before changes in working capital	3,981.07	1,909.31
Adjustment for Changes in Working Capital		
Trade Receivables	(484.53)	25.16
Inventories	232.17	(258.89)
Financial Assets and Other Assets	(31.11)	(19.41)
Long-term Loans and Advances and Other Non-current Assets	24.44	(135.43)
Trade Payables	(115.52)	40.77
Other Financial Liabilities	5.20	44.59
Other Liabilities and provisions	104.19	(26.13)
Cash flow from operations after changes in working capital	3,715.92	1,579.97
Income-tax paid	(1,120.49)	(330.33)
Net Cash Flow from/(used in) Operating Activities	2,595.43	1,249.64
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Received	192.27	88.29
Dividend Received	-	0.09
Investment in Equity Instruments	(214.32)	-
Purchase of Property, Plant and Equipment, Intangible assets including CWIP & Capital Advances	(301.66)	(264.23)
Sale of Property, Plant and Equipment	7.47	2.33
Bank Balances not considered as Cash and Cash Equivalents	(987.85)	(677.86)
Net Cash Flow from/(used in) Investing Activities	(1,304.09)	(851.36)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance Costs	(7.82)	(9.53)
Dividend Paid (Including Dividend Distribution Tax)	(710.35)	(645.99)
Increase / (Decrease) in Current Borrowings	(198.61)	198.61
Net Cash Flow from/(used in) Financing Activities	(916.78)	(456.91)
Net Increase/ (Decrease) in Cash and Cash Equivalents	374.55	(58.63)
Cash & Cash Equivalents at beginning of period (see Note 1)	0.20	58.83
Cash and Cash Equivalents at end of period (see Note 1)	374.75	0.20
<b>Notes:</b>		
1 Cash and Cash equivalents comprise of:		
Cash on hand	0.56	0.20
Balance with Banks	374.19	-
Cash and Cash equivalents	374.75	0.20
2 The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard 7 - "Statement of Cash Flows".		





**PART IV : STATEMENT OF ASSETS AND LIABILITIES AS AT 31st MARCH, 2020**

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Audited	Audited
<b>ASSETS</b>		
<b>Non-current Assets</b>		
(a) Property, Plant and Equipment	3,039.90	2,443.67
(b) Capital work-in-progress	115.83	78.77
(c) Intangible assets	1.25	1.84
(d) Financial Assets		
(i) Investments	206.73	25.31
(ii) Others	12.78	14.60
(e) Other non-current assets	125.68	142.15
<b>Total Non-current Assets</b>	<b>3,502.17</b>	<b>2,705.76</b>
<b>Current Assets</b>		
(a) Inventories	700.22	932.18
(b) Financial Assets		
(i) Trade Receivables	1,248.75	764.89
(ii) Cash and Cash Equivalents	274.23	0.20
(iii) Other Bank Balances	2,711.85	1,720.64
(iv) Others	10.96	-
(c) Current Tax Assets (Net)	-	4.97
(d) Other current assets	84.65	64.51
<b>Total Current Assets</b>	<b>5,131.18</b>	<b>3,487.59</b>
<b>TOTAL ASSETS</b>	<b>8,633.35</b>	<b>6,193.35</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share Capital	978.32	978.32
(b) Other Equity	5,339.63	3,902.71
<b>Total Equity</b>	<b>6,317.97</b>	<b>4,881.03</b>
<b>Liabilities</b>		
(1) Non-current Liabilities		
(a) Provisions	88.82	46.07
(b) Deferred Tax Liabilities (Net)	118.49	470.45
<b>Total Non-current liabilities</b>	<b>207.31</b>	<b>516.52</b>
(2) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	-	198.61
(ii) Trade Payables		
(A) due to micro enterprises and small enterprises	0.97	14.86
(B) due to other than micro enterprises and small enterprises	285.19	383.68
(iii) Other financial liabilities	172.18	166.98
(b) Other current liabilities	101.21	35.86
(c) Provisions	32.90	38.81
(d) Current Tax Liabilities (Net)	11.62	-
<b>Total Current Liabilities</b>	<b>560.87</b>	<b>845.80</b>
<b>Total Liabilities</b>	<b>778.18</b>	<b>1,362.32</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>8,633.35</b>	<b>6,193.35</b>

**Notes :**

- The above audited financial results have been prepared in accordance with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013.
- The Audited Financial Results for the quarter and year ended 31st March, 2020 have been reviewed and recommended by the Audit Committee and taken on record in its meeting held on 18th June, 2020 and subsequently approved by the Board of Directors in its meeting held on 19th June, 2020. The statutory auditors have audited the financial results for the year ended 31st March, 2020 as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- Effective: 1st April, 2019, the company has adopted Indian Accounting Standard (Ind AS) 116, "Leases" using the "Modified retrospective approach". The adoption of the said Ind AS did not have any impact on the retained earnings as on 1st April, 2019 and there was no material impact on financial results for the quarter and year ended 31st March, 2020.
- In March 2020, the World Health Organisation declared COVID 19 as pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing, sanitization of work premises etc. The Board of Directors has not identified any material impact on the operations and financials of the company as at 31st March, 2020. Considering that the Company deals with Specialty Chemicals and Power Generation, there has been minimal disruption with respect to operations including production and distribution activities. The Company has not experienced any difficulties with respect to market demand, collections or liquidity. The Company will continue to closely monitor any material changes to future economic conditions. As the COVID-19 situation continues to evolve in India and globally, the impact on future operations would depend upon how the uncertainties associated with pandemic's nature and duration unfold.
- Figures for the quarters ended 31st March, 2020 and 31st March, 2019 as reported in these financial results are balancing figures between the audited figures in respect of the full financial year and published year to date reviewed figures upto third quarter of the relevant financial year.
- The Board of Directors of the Company has recommended a final dividend of Rs. 40.04 paise - per equity share of face value Rs. 10 each for the financial year ended 31st March, 2020.
- The Company has identified two reportable primary segments viz, Specialty Chemicals and Power Generation.
- The company has decided not to exercise option permitted under newly inserted section 115BAA of the Income Tax Act, 1961, as introduced by the Finance Law (Amendment) Act 2019; and therefore, it has continued to recognise the taxes on income for the quarter and year ended 31st March, 2020 as per old rates, prescribed under other provisions of the Income Tax Act as applicable to the company.
- Figures of corresponding previous year/period(s) have been regrouped (rearranged) wherever necessary, to make them comparable.

By order of the Board of Directors  
For Diamines and Chemicals Limited

AMIT MEHTA  
Executive Chairman  
DIR: 88073907

6/19/2020

Place: Mumbai  
Date: 19th June, 2020





June 19, 2020

To,  
Department of Corporate Services  
BSE Limited,  
25, P. J. Towers,  
Dalal Street,  
Mumbai – 400 001

**Scrip Code: 500120**

Sub: Declaration in respect of Unmodified Opinion by Statutory Auditors on Audited  
Financial Statements for the Financial Year ended on March 31, 2020.

Dear Sir/Ma'am,

In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby  
Declare and confirm that Statutory Auditors of the Company viz. K. C. Mehta & Co.  
(FRN: 106237W), Chartered Accountants, Vadodara have issued an Unmodified Audit  
Report on Audited Financial Statement of the Company for the Financial Year ended  
on March 31, 2020.

Thanking you.

For Diamines and Chemicals Limited



Dipen Ruparelia  
Chief Financial Officer

