



Chembond Chemicals Limited

2nd February, 2019

BSE/CS/2018-19/65

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001

ISIN: INE995D01025
Company Code No: 530871

Re: Outcome of Board Meeting.

Dear Sir / Madam,

This is in continuation to our letter bearing Ref. no. BSE/CS/2018-19/62 dated 24th January, 2019, and pursuant to Regulations 33, 30 and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, (the Listing Regulations), we have to inform you that the Board of Directors of the Company in its meeting held today transacted the following business-

- Upon recommendation of the Audit Committee, considered and approved the Unaudited Financial Results (Standalone and Consolidated) for the quarter / nine months ended 31st December, 2018 which are enclosed herewith along with the Limited Review Report.
- Seeking approval of Members through Postal Ballot process for alteration / amendment in MoA / AoA of the Company as per the provisions of the Companies Act, 2013 and other matters.
- Approved sale of 15,03,905 shares of Chembond Clean Water Technologies Limited (CCWTL) (Subsidiary) held by the Company to Chembond Water Technologies Limited (Wholly Owned Subsidiary).

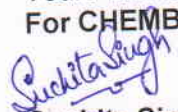
The meeting of Board of Directors of the Company commenced at 12.00 noon and concluded at 4.45 p.m.

We request you to take the above on record.

Thanking You,

Yours faithfully,

For CHEMBOND CHEMICALS LIMITED



Suchita Singh
Company Secretary
Encl: As above



Rashmi Gavli
Chief Financial Officer



Chembond Centre,
EL-71, Mahape MIDC,
Navi Mumbai 400710, India
CIN - L24100MH1975PLC018235

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CHEMBOND CHEMICALS LIMITED

CIN L24100MH1975PLC018235

Regd. Office: Chembond Centre, EL 71, Mahape MIDC, Navi Mumbai - 400 710

Email id: info@chembondindia.com, Website: www.chembondindia.com

Consolidated Unaudited Financial Results for the Quarter and Nine Months Ended 31st December, 2018

(Rs. in Lakhs)

Sr. No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from operations	7,204.52	6,358.42	7,935.40	22,513.01	23,210.54	33,422.81
2	Other Income	47.25	61.90	380.33	186.77	1,019.92	1,064.02
3	Total Income	7,251.77	6,420.31	8,315.74	22,699.78	24,230.46	34,486.82
4	Expenses						
a.	Cost of materials consumed	3,259.32	2,879.69	4,402.80	11,120.39	12,983.76	18,890.11
b.	Purchases of Stock-in trade	566.83	672.03	601.43	1,884.83	1,422.84	1,641.16
c.	Changes in inventories of Finished Goods, Work-in-progress and Stock-in-trade	61.17	36.34	127.53	(138.95)	266.26	362.78
d.	Excise Duty	-	-	-	-	675.52	675.52
e.	Employees Benefit Expenses	1,299.96	1,268.92	1,101.22	3,822.81	3,161.24	4,300.10
f.	Finance Costs	18.17	16.19	22.09	51.05	70.23	118.21
g.	Depreciation and Amortisation Expenses	109.35	106.17	107.15	320.13	301.19	410.67
h.	Other Expenses	1,379.99	1,103.27	1,177.07	4,013.62	3,394.48	5,298.02
	Total Expenses	6,694.79	6,082.61	7,539.30	21,073.86	22,275.51	31,696.55
5	Profit before exceptional items and tax	556.98	337.70	776.44	1,625.92	1,954.95	2,790.28
6	Exceptional items	-	-	-	-	-	-
7	Profit before tax	556.98	337.70	776.44	1,625.92	1,954.95	2,790.28
8	Tax Expense						
	- Current Tax	160.85	76.61	213.31	473.46	535.31	716.91
	- Deferred Tax	(47.10)	(86.99)	(61.81)	(204.13)	(177.93)	(283.41)
9	Profit For the Period	443.23	348.07	624.93	1,356.59	1,597.57	2,356.77
10	Other Comprehensive Income / (loss)						
i)	Items that will not be reclassified to profit or loss	2.51	2.26	-	7.04	-	9.14
ii)	Income Tax relating to items that will not be reclassified to profit or loss	(0.63)	(0.64)	-	(1.90)	-	(2.63)
i)	Items that will be reclassified to profit or loss	-	-	(0.90)	-	(2.70)	-
ii)	Income Tax relating to items that will be reclassified to profit or loss	-	-	0.47	-	1.41	-
	Other Comprehensive Income / (loss)	1.88	1.62	(0.43)	5.14	(1.29)	6.51
11	Total Comprehensive Income	445.11	349.70	624.50	1,361.72	1,596.28	2,363.29
12	Net profit attributable to:						
	- Shareholders of the Company	407.37	320.69	577.30	1,246.73	1,507.99	2,197.23
	- Non Controlling Interests	35.36	27.38	47.63	109.86	89.58	159.54
13	Other Comprehensive Income attributable to:						
	- Shareholders of the Company	1.89	1.63	(0.48)	5.15	(1.43)	6.53
	- Non Controlling Interests	(0.01)	(0.01)	0.05	(0.02)	0.14	(0.02)
14	Paid-up equity share capital (face value of Rs 5 per share)	672.41	672.41	672.41	672.41	672.41	672.41
15	Other equity excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	-	-	24,162.33
16	Earning Per Share (of Rs.5 each) (not annualised)						
	Basic and Diluted EPS	3.03	2.38	4.29	9.27	11.21	16.34

Notes:

- The above results for the quarter and nine months ended 31st December, 2018, have been reviewed by the Audit Committee, approved by the Board of Directors at their meeting held on 2nd February, 2019 and have been subjected to limited review by the Statutory Auditors.
- 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 and other recognised accounting practices and policies to the extent applicable.
- Effective 1st April, 2018, the Company has adopted Ind AS 115, Revenue from Contracts with customers (which replaces the earlier revenue recognition standards) using the cumulative effect method. There is no material impact on transition to Ind AS 115 on retained earnings as on 1st April, 2018, and the unaudited financial results for the quarter and nine months ended 31st December, 2018.
- The group is engaged in the manufacture of Specialty Chemicals, which in the context of IND AS 108- Operating segment specified under section 133 of the Companies Act, 2013 is considered as a single business segment of the group.
- Revenue from operations for the quarter and nine months ended 31st December, 2018 is net of Goods and Service Tax (GST). However, revenue from operations upto 30th June 2017 which are also included in the amounts for the nine months ended 31st December, 2017 and year ended 31st March, 2018 is gross of Excise Duty. Accordingly, the results are not comparable to that extent.



6. In view of the expiry of the toll of manufacturing contract in June 2018, the results for the quarter and nine months ended 31st December, 2018 are not comparable with other results to that extent. The Company has decided to use its existing facilities to re-enter the Metal Treatment Chemicals business through its wholly owned subsidiary Chembond Material Technologies Private Limited.
7. Financial results of the two subsidiaries Viz. Phiroze Sethna Private Limited and Gramos Chemicals India Private Limited have been consolidated w e f 17th November 2017, accordingly the corresponding results of quarter and nine months ended 31st December, 2017 are not Comparable to that extent
9. The comparative financial information of the Company for the quarter and nine months ended 31st December, 2017 have been reviewed and for the year ended 31st March, 2018, have been audited by erstwhile Statutory Auditors of the Company, who vide their report dated 10th February, 2018 and 30th May, 2018, expressed an unmodified opinion.
10. **Additional Information on Stand Alone Basis are as Follows:**

Standalone Details	(Rs. in Lakhs)					
	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations	3,686.52	3,285.48	5,638.56	12,939.72	17,002.61	23,779.03
Profit / (Loss) Before Tax	150.46	(134.30)	330.03	454.93	1,161.43	1,406.12
Profit / (Loss) for the period	115.92	(74.50)	261.80	437.29	1,086.30	1,359.31

Profit for the period includes dividend received for the quarter and nine months ended 31st December, 2018 of Rs Nil (Rs. Nil) and Rs.240.95 Lakhs (Rs 230.17 Lakhs) and for the year ended 31st March,2018 of Rs 230.17 Lakhs from a Subsidiary Company.

11. The figures for corresponding previous periods have been restated/regrouped, rearranged and reclassified wherever necessary

Place : Mumbai
Date : 2nd February, 2019

By Order of the Board of Directors
For CHEMBOND CHEMICALS LTD


Nimrai V. Shah
Vice Chairman & Managing Director



Independent Auditors' Review Report on Review of Consolidated Interim Financial Results

Limited Review Report

To the Board of Directors of

Chembond Chemicals Limited

1. We have reviewed the accompanying statement of Consolidated Unaudited Financial Results of Chembond Chemicals Limited ("the Holding Company") and its subsidiaries and step down subsidiary (the Holding Company, its subsidiaries and step down subsidiary collectively referred to as "the Group"), for the quarter and nine months ended December 31, 2018 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ("the Circular") which has been initialed by us for identification purpose.
2. This statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules, as amended, read with the Circular, issued there under and other accounting principles generally accepted in India. 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 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 Holding 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. The Statement includes the results of the following entities:

Name of the entity	Relationship
Chembond Chemicals Limited	Holding Company
Chembond Water Technologies Limited	Subsidiary Company
Chembond Clean Water Technologies Limited	Subsidiary Company

Chembond Polymers and Materials Limited (formerly known as Chembond Enzyme Company Limited)	Subsidiary Company
Chembond Calvatis Industrial Hygiene Systems Limited	Subsidiary Company
Chembond Material Technologies Private Limited (formerly known as Protochem Industries Private Limited)	Subsidiary Company
Chembond Biosciences Limited (formerly known as Chembond Industrial Coatings Limited)	Subsidiary Company
Chembond Chemicals (Malaysia) Sdn. Bhd. [formerly known as Ichembond Water Sdn. Bhd.]	Subsidiary Company
Phiroze Sethna Private Limited	Subsidiary Company
Chembond Distribution Limited	Subsidiary Company
Gramos Chemicals India Private Limited	Step down Subsidiary Company

5. We did not review the interim financial results of three of the subsidiaries (excluding a foreign subsidiary) and one step down subsidiary whose interim financial results reflects total revenue of Rs. 3389.11 lakhs, total net profit of Rs. 44.78 lakhs and total comprehensive income of Rs. 44.30 lakhs included in the Statement for quarter and nine months ended December 31, 2018. These interim financial results and other financial information have been reviewed by other auditors whose reports have been furnished to us by the Management, and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the report of such auditors.

The financial results of one of the foreign subsidiary included in the Statement, whose financial results reflects revenue of Rs. 106.89 lakhs, total net profit of Rs. 11.95 lakhs and total comprehensive income of Rs. 11.95 lakhs for the quarter and nine months ended December 31, 2018 are unaudited and not reviewed by other auditors. The Holding Company's management has converted the financial results of such foreign subsidiary from accounting principles generally accepted in that country to accounting principles generally accepted in India. Accordingly, our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary is based solely on the basis of management certified unaudited financial results.

Our report is not qualified in respect of these matters.

6. Based on our review conducted as above and based on the consideration of the reports of the other auditors referred to in Paragraph 5 above, nothing has come to our attention that causes us to believe that



the accompanying Statement prepared in accordance with the aforesaid Indian Accounting Standards and other accounting Principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. The comparative financial information of the Company included in the Statement for the quarter and nine months ended December 31, 2017 have been reviewed and for the year ended March 31, 2018 have been audited by the erstwhile statutory auditors of the Company who vide their reports dated February 10, 2018 and May 30, 2018 respectively, expressed an unmodified opinion, as stated in Note 9 to the Statement.

Our report is not qualified in respect of this matter.

For **Bathiya & Associates LLP**

Chartered Accountants

Firm's Registration No. 101046W / W100063



Jatin A. Thakkar

Partner

Membership No. 134767



Place: Mumbai

Date: February 02, 2019

CHEMBOND CHEMICALS LIMITED

CIN L24100MH1975PLC018235

Regd. Office: Chembond Centre, EL 71, Mahape MIDC, Navi Mumbai - 400 710

Email id: info@chembondindia.com, Website: www.chembondindia.com

Standalone Unaudited Financial Results for the Quarter and Nine Months Ended 31st December, 2018

Sr. No	Particulars	(Rs. in Lakhs)					
		Quarter Ended			Nine Months Ended		Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Revenue from Operations	3,686.52	3,285.48	5,638.56	12,939.72	17,002.61	23,779.03
2	Other Income	42.33	20.58	239.60	315.25	1,017.14	1,048.47
3	Total Income	3,728.84	3,306.06	5,878.16	13,254.96	18,019.74	24,827.50
4	Expenses						
	a. Cost of materials consumed	1,477.60	2,466.90	4,297.66	8,402.10	12,572.90	17,895.21
	b. Purchases of Stock-in-trade	1,001.43	0.22	21.87	1,021.75	44.98	49.36
	c. Changes in inventories of Finished Goods, Work-in-progress and Stock-in-trade	109.06	58.33	162.10	64.42	351.34	345.62
	d. Excise Duty	-	-	-	-	561.87	561.87
	e. Employees Benefit Expenses	482.34	483.41	476.75	1,472.45	1,419.28	1,865.81
	f. Finance Costs	6.85	10.05	11.24	26.15	40.17	54.60
	g. Depreciation and Amortisation Expenses	68.74	75.99	71.02	219.26	214.52	287.18
	h. Other Expenses	432.37	345.46	507.48	1,593.90	1,653.26	2,361.73
	Total Expenses	3,578.38	3,440.36	5,548.13	12,800.04	16,858.32	23,421.38
5	Profit before exceptional items and tax	150.46	(134.30)	330.03	454.93	1,161.43	1,406.12
6	Exceptional items	-	-	-	-	-	-
7	Profit before tax	150.46	(134.30)	330.03	454.93	1,161.43	1,406.12
8	Tax Expense						
	- Current Tax	56.55	(20.35)	106.90	117.64	265.19	321.77
	- Deferred Tax	(22.00)	(39.44)	(38.66)	(100.00)	(190.06)	(274.95)
9	Profit For the Period	115.92	(74.50)	261.80	437.29	1,086.30	1,359.31
10	Other Comprehensive Income / (loss)						
	i) Items that will not be reclassified to profit or loss	1.27	1.27	-	3.80	-	5.07
	ii) Income Tax relating to items that will not be reclassified to profit or loss	(0.25)	(0.25)	-	(0.76)	-	(1.03)
	i) Items that will be reclassified to profit or loss	-	-	(0.02)	-	(0.06)	-
	ii) Income Tax relating to items that will be reclassified to profit or loss	-	-	0.00	-	0.01	-
	Other Comprehensive Income / (loss)	1.02	1.02	(0.02)	3.04	(0.05)	4.04
11	Total Comprehensive Income / (loss) for the period	116.93	(73.49)	261.78	440.33	1,086.25	1,363.35
12	Paid-up equity share capital (face value of Rs 5 per share)	672.41	672.41	672.41	672.41	672.41	672.41
13	Other equity excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	-	-	21,907.35
14	Earning Per Share (FV of Rs.5 each) (not annualised)						
	Basic and Diluted EPS	0.86	(0.55)	1.95	3.25	8.08	10.11

Notes

- The above results for the quarter and nine months ended 31st December, 2018, have been reviewed by the Audit Committee, approved by the Board of Directors at their meeting held on 2nd February, 2019 and have been subjected to limited review by the Statutory Auditors.
- 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 and other recognised accounting practices and policies to the extent applicable.
- Effective 1st April, 2018, the Company has adopted Ind AS 115. Revenue from Contracts with customers (which replaces the earlier revenue recognition standards) using the cumulative effect method. There is no material impact on transition to Ind AS 115 on retained earnings as on 1st April, 2018, and the unaudited financial results for the quarter and nine months ended 31st December, 2018.
- The Company is engaged in the manufacture of Specialty Chemicals, which in the context of IND AS 108- Operating segment specified under section 133 of the Companies Act, 2013 is considered as a single business segment of the company.
- Revenue from operations for the quarter and nine months ended 31st December, 2018 is net of Goods and Service Tax (GST). However, revenue from operations upto 30th June 2017 which are also included in the amounts for the nine months ended 31st December, 2017 and year ended 31st March, 2018 is gross of Excise Duty. Accordingly, the results are not comparable to that extent.
- Other Income includes dividend from Subsidiary Company for the quarter and nine months ended 31st December, 2018 of Rs Nil (Rs Nil) and Rs 240.95 Lakhs (Rs 230.17 Laks) and for the year ended 31st March, 2018 Rs 230.17 Lakhs respectively.
- In view of the expiry of the toll of manufacturing contract in June 2018, the results for the quarter and nine months ended 31st December, 2018 are not comparable with other results to that extent. The Company has decided to use its existing facilities to re-enter the Metal Treatment Chemicals business through its wholly owned subsidiary Chembond Material Technologies Private Limited.
- The comparative financial information of the Company for the quarter and nine months ended 31st December, 2017 have been reviewed and for the year ended 31st March, 2018, have been audited by erstwhile Statutory Auditors of the Company, who vide their report dated 10th February, 2018 and 30th May, 2018, expressed an unmodified opinion.
- The figures for corresponding previous periods have been restated/regrouped, rearranged and reclassified wherever necessary.

By Order of the Board of Directors
For CHEMBOND CHEMICALS LTD

Nimral V. Shah
Vice Chairman & Managing Director

Place : Mumbai
Date : 2nd February, 2019



Independent Auditors' Review Report on Review of Standalone Interim Financial Results

Limited Review Report

To the Board of Directors of

Chembond Chemicals Limited

1. We have reviewed the accompanying Statement of standalone unaudited financial results of Chembond Chemicals Limited ("the Company") for the quarter and nine year ended December 31, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ("the Circular") which has been initialed by us for identification purpose.
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 the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules, as amended, read with the Circular, issued thereunder and other accounting principles generally accepted in India. 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 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 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 stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with aforesaid Indian Accounting Standards and other accounting principles generally accepted in India; has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure

Bathiya & Associates LLP

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Requirements) Regulations, 2015 read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. The comparative financial information of the Company included in the Statement for the quarter and nine months ended December 31, 2017 have been reviewed and for the year ended March 31, 2018 have been audited by the erstwhile statutory auditors of the Company who vide their reports dated February 10, 2018 and May 30, 2018 respectively, expressed an unmodified opinion, as stated in Note 8 to the Statement.

Our report is not qualified in respect of this matter.

For **Bathiya & Associates LLP,**

Chartered Accountants

Firm's Registration No. 101046W / W100063



Jatin A. Thakkar

Partner

Membership No. 134767



Place: Mumbai

Date: February 02, 2019