

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 Half Year Ended 30th Sept, 2018

(Rs. in Lakhs)

| Sr. No | Particulars | Quarter Ended | | | Half Year Ended | | Year Ended |
|--------|---|-----------------|-----------------|-----------------|------------------|------------------|------------------|
| | | 30.09.2018 | 30.06.2018 | 30.09.2017 | 30.09.2018 | 30.09.2017 | 31.03.2018 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Revenue from operations | 6,358.42 | 8,950.07 | 7,457.30 | 15,308.49 | 15,275.14 | 33,422.81 |
| 2 | Other Income | 61.90 | 77.62 | 282.30 | 139.52 | 639.58 | 1,064.02 |
| 3 | Total Income | 6,420.31 | 9,027.70 | 7,739.60 | 15,448.01 | 15,914.72 | 34,486.82 |
| 4 | Expenses | | | | | | |
| a | Cost of materials consumed | 2,879.69 | 4,981.38 | 4,088.78 | 7,861.07 | 8,580.96 | 18,890.11 |
| b | Purchases of Stock-in trade | 672.03 | 645.96 | 685.28 | 1,318.00 | 821.41 | 1,641.16 |
| c | Changes in inventories of Finished Goods, Work-in-progress and Stock-in-trade | 36.34 | (236.46) | 190.97 | (200.12) | 138.73 | 362.78 |
| d | Excise Duty | - | - | - | - | 675.52 | 675.52 |
| e | Employees Benefit Expenses | 1,268.92 | 1,253.93 | 1,029.35 | 2,522.85 | 2,060.01 | 4,300.10 |
| f | Finance Costs | 16.19 | 16.68 | 23.82 | 32.88 | 48.14 | 118.21 |
| g | Depreciation and Amortisation Expenses | 106.17 | 104.61 | 97.65 | 210.78 | 194.04 | 410.67 |
| h | Other Expenses | 1,103.27 | 1,530.35 | 1,039.97 | 2,633.62 | 2,217.40 | 5,298.02 |
| | Total Expenses | 6,082.61 | 8,296.46 | 7,155.83 | 14,379.07 | 14,736.21 | 31,696.55 |
| 5 | Profit before exceptional Items and tax | 337.70 | 731.24 | 583.77 | 1,068.94 | 1,178.51 | 2,790.28 |
| 6 | Exceptional items | - | - | - | - | - | - |
| 7 | Profit before tax | 337.70 | 731.24 | 583.77 | 1,068.94 | 1,178.51 | 2,790.28 |
| 8 | Tax Expense | | | | | | |
| | - Current Tax | 76.61 | 236.00 | 155.22 | 312.61 | 322.00 | 716.91 |
| | - Deferred Tax | (86.99) | (70.04) | (31.96) | (157.03) | (116.12) | (283.41) |
| 9 | Profit For the Period before share of profit of Associate | 348.07 | 565.28 | 460.51 | 913.35 | 972.64 | 2,356.77 |
| 10 | Share of Profit of Associate | - | - | (7.41) | - | - | - |
| 11 | Profit For the Period | 348.07 | 565.28 | 453.11 | 913.35 | 972.64 | 2,356.77 |
| 12 | Other Comprehensive Income / (loss) | | | | | | |
| | i) Items that will not be reclassified to profit or loss | 2.26 | 2.26 | - | 4.52 | - | 9.14 |
| | ii) Income Tax relating to items that will not be reclassified to profit or loss | (0.64) | (0.63) | - | (1.26) | - | (2.63) |
| | i) Items that will be reclassified to profit or loss | - | - | (0.90) | - | (1.80) | - |
| | ii) Income Tax relating to items that will be reclassified to profit or loss | - | - | 0.47 | - | 0.94 | - |
| | Other Comprehensive Income / (loss) | 1.62 | 1.63 | (0.43) | 3.26 | (0.86) | 6.51 |
| 13 | Total Comprehensive Income | 349.70 | 566.91 | 452.67 | 916.61 | 971.78 | 2,363.29 |
| 14 | Net profit attributable to: | | | | | | |
| | - Shareholders of the Company | 320.69 | 518.17 | 417.34 | 838.86 | 930.69 | 2,197.23 |
| | - Non Controlling Interests | 27.38 | 47.11 | 35.77 | 74.50 | 41.94 | 159.54 |
| 15 | Other Comprehensive Income attributable to: | | | | | | |
| | - Shareholders of the Company | 1.63 | 1.63 | (0.48) | 3.27 | (0.95) | 6.53 |
| | - Non Controlling Interests | (0.01) | (0.00) | 0.05 | (0.01) | 0.09 | (0.02) |
| 16 | Paid-up equity share capital (face value of Rs 5 per share) | 672.41 | 672.41 | 672.41 | 672.41 | 672.41 | 672.41 |
| 17 | Other equity excluding Revaluation Reserve as per balance sheet of previous accounting year | - | - | - | - | - | 24,162.33 |
| 18 | Earning Per Share (of Rs.5 each) (not annualised) | | | | | | |
| | Basic and Diluted EPS | 2.38 | 3.85 | 3.10 | 6.24 | 6.92 | 16.34 |



Statement of Assets and Liabilities as at 30th Sept 2018 (Rs. in Lakhs)

| Particulars | As at | As at |
|---|------------------|------------------|
| | 30/09/2018 | 31/03/2018 |
| | Unaudited | Audited |
| ASSETS | | |
| 1 Non-current assets | | |
| (a) Property, plant and equipment | 4,575.64 | 4,629.11 |
| (b) Capital work-in-progress | 99.22 | 66.56 |
| (c) Goodwill | 6,419.00 | 6,091.20 |
| (c) Other Intangible Assets | 89.95 | 93.46 |
| (d) Financial Assets | | |
| i) Investments | 2,327.42 | 5,181.19 |
| ii) Other financial assets | 331.75 | 714.72 |
| (f) Deferred tax assets (Net) | 16.07 | 0.00 |
| (f) Income tax asset (net) | 352.10 | 232.38 |
| (g) Other non-current assets | 73.67 | 71.03 |
| Total Non-current assets | 14,284.82 | 17,079.65 |
| 2 Current Assets | | |
| (a) Inventories | 2,424.86 | 2,453.58 |
| (b) Financial Assets | | |
| i) Investments | 3,446.89 | 2,466.46 |
| ii) Trade receivables | 7,799.61 | 8,077.22 |
| iii) Cash and cash equivalents | 626.81 | 994.99 |
| iv) Bank balances other than (iii) above | 1,453.40 | 761.38 |
| v) Loans | 47.02 | 41.05 |
| vi) Other financial assets | 115.01 | 117.32 |
| (c) Current Tax (Net) | 134.55 | 136.85 |
| (d) Other current assets | 417.42 | 386.51 |
| Total current assets | 16,466.58 | 15,435.36 |
| Total Assets | 30,750.41 | 32,515.01 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| (a) Equity Share capital | 672.41 | 672.41 |
| (b) Other equity | 25,154.88 | 24,162.33 |
| (c) Equity attributable to the owners of the company | 25,827.29 | 24,834.74 |
| (d) Non Controlling interest | 179.68 | 167.74 |
| Total Equity | 26,006.97 | 25,002.48 |
| Liabilities | | |
| 1 Non-Current Liabilities | | |
| (a) Financial liabilities | | |
| i) Borrowings | 12.62 | 49.40 |
| ii) Other financial liabilities | 38.44 | 0.00 |
| (a) Long term provisions | 140.10 | 151.05 |
| (b) Deferred tax liabilities (Net) | 0.00 | 136.02 |
| Total Non-current liabilities | 191.16 | 336.46 |
| 3 Current liabilities | | |
| (a) Financial liabilities | | |
| i) Borrowings | 291.78 | 859.57 |
| ii) Trade payables | | |
| Trade payables -MSMED | 30.25 | 33.90 |
| Trade payables -Others | 2,846.97 | 5,074.95 |
| iii) Other financial liabilities | 509.39 | 615.57 |
| (b) Other current liabilities | 559.57 | 306.07 |
| (c) Provisions | 314.33 | 286.02 |
| Total current liabilities | 4,552.27 | 7,176.07 |
| Total Equity and Liabilities | 30,750.41 | 32,515.01 |

Notes:

- The above results for the quarter and half year ended 30th September, 2018, have been reviewed by the Audit Committee, approved by the Board of Directors at their meeting held on 3rd November, 2018 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 half year ended 30th September, 2018.



4. 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.
5. Revenue from operations for the quarter and half year ended 30th September, 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 half year ended 30th September, 2017 and year ended 31st March, 2018 is gross of Excise Duty. Accordingly, the results are not comparable to that extent.
6. Subsequent to the conclusion of toll of manufacturing contract in June 2018, the results for the Quarter and Half year ended 30th September, 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 half year ended 30th September 2017 are not Comparable to that extent
8. During the Quarter, the Company has acquired additional Equity shares in its associate " Chembond Distribution Limited" thereby making it as a wholly owned subsidiary of the Company
9. The comparative financial information of the Company for the quarter and half year ended 30th September, 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 02nd December, 2017 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 | | | Half Year Ended | | Year Ended |
| | 30.09.2018 | 30.06.2018 | 30.09.2017 | 30.09.2018 | 30.09.2017 | 31.03.2018 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| Revenue from operations | 3,285.48 | 5,967.72 | 5,389.71 | 9,253.20 | 11,364.04 | 23,779.03 |
| Profit Before Tax | (134.30) | 438.77 | 240.69 | 304.47 | 831.39 | 1,406.12 |
| Profit for the period | (74.50) | 395.89 | 253.00 | 321.38 | 824.50 | 1,359.31 |

Profit for the period includes dividend received for the quarter and half year ended 30th September, 2018 of Rs. Nil (Rs. Nil) and Rs 240.95 Lakhs (Rs 230.17 Lakhs) and year ended 31st March, 2018 of Rs 230.17 Lakhs from a Subsidiary Company.

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

Place : Mumbai
Date : 3rd November, 2018



By Order of the Board of Directors
For CHEMBOND CHEMICALS LTD

Sameer V. Shah
Chairman & Managing Director



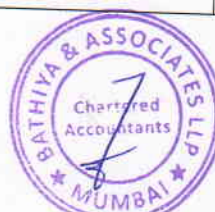
Independent Auditors' Review Report on Review of Consolidated Interim Financial Results

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, step down subsidiary and associate company (the Holding Company, its subsidiaries, step down subsidiary and associate company collectively referred to as "the Group"), for the quarter and half year ended September 30, 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 Industrial Coatings Limited | Subsidiary Company |
| Chembond Chemicals (Malaysia) Sdn. Bhd. [previously known as Ichembond Water Sdn. Bhd.] | Subsidiary Company |
| Phiroze Sethna Private Limited | Subsidiary Company |
| Gramos Chemicals India Private Limited | Step down Subsidiary Company |
| Chembond Distribution Limited | 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. 2102.94 lakhs, total net profit of Rs. 68.43 lakhs and total comprehensive income of Rs. 67.94 lakhs included in the Statement for the half year ended September 30, 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. 66.41 lakhs, total net profit of Rs. 10.59 lakhs and total comprehensive income of Rs. 10.59 lakhs for the half year ended September 30, 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 half year ended September 30, 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 December 02, 2017 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: November 3, 2018

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 Half Year Ended 30th September, 2018

(Rs. in Lakhs)

| Sr. No | Particulars | Quarter Ended | | | Half Year Ended | | Year Ended |
|--------|---|-----------------|-----------------|-----------------|-----------------|------------------|------------------|
| | | 30.09.2018 | 30.06.2018 | 30.09.2017 | 30.09.2018 | 30.09.2017 | 31.03.2018 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Revenue from Operations | 3,285.48 | 5,967.72 | 5,389.71 | 9,253.20 | 11,364.04 | 23,779.03 |
| 2 | Other Income | 20.58 | 252.34 | 208.63 | 272.92 | 777.54 | 1,048.47 |
| 3 | Total Income | 3,306.06 | 6,220.06 | 5,598.34 | 9,526.12 | 12,141.58 | 24,827.50 |
| 4 | Expenses | | | | | | |
| | a. Cost of materials consumed | 2,466.90 | 4,457.60 | 4,084.53 | 6,924.50 | 8,275.24 | 17,895.21 |
| | b. Purchases of Stock-in trade | 0.22 | 20.10 | 1.54 | 20.32 | 23.10 | 49.36 |
| | c. Changes in inventories of Finished Goods, Work-in-progress and Stock-in-trade | 58.33 | (102.97) | 171.29 | (44.64) | 189.24 | 345.62 |
| | d. Excise Duty | - | - | - | - | 561.87 | 561.87 |
| | e. Employees Benefit Expenses | 483.41 | 506.71 | 472.41 | 990.12 | 942.53 | 1,865.81 |
| | f. Finance Costs | 10.05 | 9.25 | 13.71 | 19.31 | 28.93 | 54.60 |
| | g. Depreciation and Amortisation Expenses | 75.99 | 74.52 | 72.46 | 150.52 | 143.50 | 287.18 |
| | h. Other Expenses | 345.46 | 816.07 | 541.70 | 1,161.53 | 1,145.78 | 2,361.73 |
| | Total Expenses | 3,440.36 | 5,781.29 | 5,357.65 | 9,221.65 | 11,310.19 | 23,421.38 |
| 5 | Profit before exceptional items and tax | (134.30) | 438.77 | 240.69 | 304.47 | 831.39 | 1,406.12 |
| 6 | Exceptional items | - | - | - | - | - | - |
| 7 | Profit before tax | (134.30) | 438.77 | 240.69 | 304.47 | 831.39 | 1,406.12 |
| 8 | Tax Expense | | | | | | |
| | - Current Tax | (20.35) | 81.45 | 61.40 | 61.09 | 158.29 | 321.77 |
| | - Deferred Tax | (39.44) | (38.56) | (73.71) | (78.00) | (151.40) | (274.95) |
| 9 | Profit For the Period | (74.50) | 395.89 | 253.00 | 321.38 | 824.50 | 1,359.31 |
| 10 | Other Comprehensive Income / (loss) | | | | | | |
| | i) Items that will not be reclassified to profit or loss | 1.27 | 1.27 | - | 2.53 | - | 5.07 |
| | ii) Income Tax relating to items that will not be reclassified to profit or loss | (0.25) | (0.25) | - | (0.51) | - | (1.03) |
| | i) Items that will be reclassified to profit or loss | - | - | (0.02) | - | (0.04) | - |
| | 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) | 2.02 | (0.03) | 4.04 |
| 11 | Total Comprehensive Income for the period | (73.49) | 396.91 | 252.99 | 323.40 | 824.47 | 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 | (0.55) | 2.94 | 1.88 | 2.39 | 6.13 | 10.11 |



CHEMBOND CHEMICALS LIMITED

CIN L24100MH1975PLC018235

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Standalone Unaudited Financial Results for the Quarter and Half Year Ended 30th September, 2018

Statement of Assets and Liabilities as at 30th September, 2018 (Rs. in Lakhs)

| Particulars | As at | As at |
|--|------------------|------------------|
| | 30/09/2018 | 31/03/2018 |
| | Unaudited | Audited |
| ASSETS | | |
| 1 Non-current assets | | |
| (a) Property, plant and equipment | 3,768.91 | 3,681.37 |
| (b) Capital work-in-progress | 83.91 | 66.56 |
| (c) Other Intangible Assets | 57.58 | 57.42 |
| (d) Financial Assets | | |
| i) Investments | 13,263.31 | 15,832.50 |
| ii) Other financial assets | 41.37 | 41.98 |
| (e) Income tax assets (net) | 213.68 | 149.35 |
| (f) Other non-current assets | 20.24 | 28.24 |
| Total Non-current assets | 17,449.03 | 19,857.42 |
| 2 Current Assets | | |
| (a) Inventories | 1,641.02 | 1,894.34 |
| (b) Financial Assets | | |
| i) Investments | 2,272.69 | 1,531.44 |
| ii) Trade receivables | 3,934.97 | 3,769.11 |
| iii) Cash and cash equivalents | 128.84 | 673.21 |
| iv) Bank balances other than (iii) above | 75.96 | 75.50 |
| v) Loans | 9.73 | 15.06 |
| vi) Other financial assets | 39.45 | 65.30 |
| (c) Current Tax (Net) | 13.88 | 14.00 |
| (d) Other current assets | 223.14 | 134.30 |
| Total current assets | 8,339.69 | 8,172.26 |
| Total Assets | 25,788.71 | 28,029.68 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| (a) Equity Share capital | 672.41 | 672.41 |
| (b) Other equity | 21,980.35 | 21,907.35 |
| Total Equity | 22,652.76 | 22,579.76 |
| Liabilities | | |
| 1 Non-Current Liabilities | | |
| (a) Long term provisions | 76.16 | 79.53 |
| (b) Deferred tax liabilities (Net) | 208.87 | 286.88 |
| Total Non-current liabilities | 285.04 | 366.41 |
| 2 Current liabilities | | |
| (a) Financial liabilities | | |
| i) Borrowings | 100.00 | 467.12 |
| ii) Trade payables | | |
| Trade payables -MSMED | 30.25 | 33.90 |
| Trade payables -Others | 2,185.67 | 3,990.80 |
| iii) Other financial liabilities | 469.52 | 476.67 |
| (b) Other current liabilities | 53.83 | 101.87 |
| (c) Provisions | 11.64 | 13.15 |
| Total current liabilities | 2,850.91 | 5,083.51 |
| Total Equity and Liabilities | 25,788.71 | 28,029.68 |

Notes

- The above results for the quarter and half year ended 30th September, 2018, have been reviewed by the Audit Committee, approved by the Board of Directors at their meeting held on 3rd November, 2018 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 half year ended 30th September, 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 half year ended 30th September, 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 half year ended 30th September, 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 half year ended 30th September, 2018 of Rs Nil (Rs. Nil) and Rs 240.95 Lakhs (Rs 230.17 Lakhs) and year ended 31st March, 2018 Rs 230.17 Lakhs respectively.
- Subsequent to the conclusion of toll of manufacturing contract in June 2018, the results for the Quarter and Half year ended 30th September, 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 half year ended 30th September, 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 02nd December, 2017 and 30th May, 2018, expressed an unmodified opinion.
- The figures for corresponding previous quarter and year ended have been restated/regrouped, rearranged and reclassified wherever necessary.

Place : Mumbai
Date : 3rd November, 2018



By Order of the Board of Directors
For CHEMBOND CHEMICALS LTD

V. Shah
Sameer V. Shah
Chairman & Managing Director



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 half year ended September 30, 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

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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 half year ended September 30, 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 December 02, 2017 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: November 3, 2018