

SE/CS/2019-20/53

8<sup>th</sup> February, 2020

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai-400001  
Scrip Code – 530871

To,  
National Stock Exchange of India Limited  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex, Bandra (W),  
Mumbai-400051  
Scrip Code –CHEMBOND

**Ref: ISIN: INE995D01025**

**Re: Outcome of Board Meeting.**

Dear Sir / Madam,

In continuation to our letter bearing Ref. no. SE/CS/2019-20/51 dated 31<sup>st</sup> January, 2020, 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 hereby inform you that the Board of Directors of the Company in its meeting held today;

- a) Considered and approved the Unaudited Financial Results (Standalone and Consolidated) for the quarter and nine months ended 31<sup>st</sup> December, 2019 which are enclosed, along with the Limited Review Report.

The meeting of Audit Committee / Board of Directors of the Company commenced at 10.45 a.m. and concluded at 3.45 p.m.

We request you to take the above on record.

Thanking You

Yours faithfully,

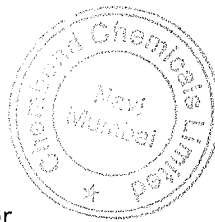
**For Chembond Chemicals Limited**



**Suchita Singh**  
Company Secretary



**Rashmi Gavli**  
Chief Financial Officer



**Chembond Chemicals Limited**

EL-71 Mahape MIDC, Navi Mumbai 400710. INDIA

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www.chembondindia.com

CIN: L24100MH1975PLC018235

**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, 2019

(Rs. in Lakhs)

Sr. No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	6,849.38	6,529.39	7,204.52	20,489.81	22,513.01	30,130.94
2	Other Income	143.43	68.34	47.25	351.61	186.77	393.14
3	<b>Total Income</b>	<b>6,992.81</b>	<b>6,597.73</b>	<b>7,251.77</b>	<b>20,841.42</b>	<b>22,699.78</b>	<b>30,524.08</b>
4	<b>Expenses</b>						
	a. Cost of materials consumed	2,591.86	2,788.52	3,259.32	9,524.04	11,120.39	14,637.67
	b. Purchases of Stock-in trade	963.09	538.75	566.83	1,363.32	1,884.83	2,467.76
	c. Changes in inventories of Finished Goods, Work-in-progress and Stock-in-trade	71.80	36.08	61.17	(105.21)	(138.95)	(345.22)
	d. Employees Benefit Expenses	1,436.64	1,441.38	1,299.96	4,279.76	3,822.81	5,109.07
	e. Finance Costs	14.90	21.69	18.17	62.43	51.05	78.20
	f. Depreciation and Amortisation Expenses	108.51	107.64	109.35	320.42	320.13	423.98
	g. Other Expenses	1,409.83	1,347.46	1,379.99	4,124.49	4,013.62	5,712.04
	<b>Total Expenses</b>	<b>6,596.63</b>	<b>6,281.52</b>	<b>6,694.79</b>	<b>19,569.25</b>	<b>21,073.88</b>	<b>28,083.50</b>
5	<b>Profit before exceptional Items and tax</b>	<b>396.18</b>	<b>316.21</b>	<b>556.98</b>	<b>1,272.17</b>	<b>1,625.90</b>	<b>2,440.58</b>
6	Exceptional items	-	-	-	-	-	-
7	<b>Profit before tax</b>	<b>396.18</b>	<b>316.21</b>	<b>556.98</b>	<b>1,272.17</b>	<b>1,625.90</b>	<b>2,440.58</b>
8	<b>Tax Expense</b>						
	- Current Tax	138.68	121.81	160.85	466.58	473.46	746.49
	- Deferred Tax	10.49	35.65	(47.10)	(12.29)	(204.13)	(289.55)
	- Tax in respect of earlier years	3.49	3.81	-	7.30	-	-
9	<b>Profit For the Period</b>	<b>243.52</b>	<b>154.94</b>	<b>443.23</b>	<b>810.58</b>	<b>1,356.57</b>	<b>1,983.64</b>
10	<b>Other Comprehensive Income / (loss)</b>						
	i) Items that will not be reclassified to profit or loss	(12.02)	(12.02)	2.51	(36.07)	7.04	(47.78)
	ii) Income Tax relating to items that will not be reclassified to profit or loss	2.18	2.30	(0.63)	6.79	(1.90)	9.18
	i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	ii) Income Tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Other Comprehensive Income / (loss)</b>	<b>(9.84)</b>	<b>(9.72)</b>	<b>1.88</b>	<b>(29.28)</b>	<b>5.14</b>	<b>(38.60)</b>
11	<b>Total Comprehensive Income</b>	<b>233.68</b>	<b>145.22</b>	<b>445.11</b>	<b>781.30</b>	<b>1,361.71</b>	<b>1,945.04</b>
12	Net profit attributable to:						
	- Shareholders of the Company	243.02	152.79	407.87	800.04	1,246.72	1,732.22
	- Non Controlling Interests	0.50	2.15	35.36	10.54	109.85	251.42
13	Other Comprehensive Income attributable to:						
	- Shareholders of the Company	(9.84)	(9.72)	1.89	(29.28)	5.15	(38.60)
	- Non Controlling Interests	(0.00)	(0.00)	(0.01)	(0.00)	(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	-	-	-	-	-	25,471.56
16	<b>Earning Per Share ( of Rs.5 each) (not annualised)</b>						
	Basic and Diluted EPS	1.81	1.14	3.03	5.95	9.27	12.88



Notes:

1. The above results for the quarter and nine months ended 31st December, 2019, have been reviewed by the Audit Committee, approved by the Board of Directors at their meeting held on 08th February, 2020 and have been subjected to limited review by the Statutory Auditors.
2. 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.
3. 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.
4. Consequent to the expiry of the toll manufacturing contract for metal treatment chemicals in June 2018, the results for nine months ended December 31st 2019 are not comparable with results for nine months ended December 31st 2018 to that extent. The Company has now re-entered the Metal Treatment Chemicals business on its own through its wholly owned subsidiary Chembond Material Technologies Private Limited.
5. **Additional Information on Stand Alone Basis are as Follows:**

Standalone Details	(RS. IN Lakhs)					
	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations	1,346.38	1,236.09	3,686.52	4,740.78	12,939.72	15,628.96
Profit / (Loss) Before Tax	151.14	113.94	150.46	598.92	454.94	706.26
Profit / (Loss) for the period	93.42	56.60	115.91	500.09	437.30	633.15

Profit for the period includes dividend from Subsidiary Company for the quarter and nine months ended 31st December, 2019 of Rs. Nil (Rs. Nil) and Rs.186.80 Lakhs (Rs.240.95 Lakhs) respectively and year ended 31st March, 2019 Rs.240.95 Lakhs.

6. The Group has decided to continue with the existing tax structure except for one Subsidiary company which has provided for current and deferred tax at the rate prescribed under section 115BAA of the Income Tax Act, 1961.
7. The figures for corresponding previous periods have been restated/regrouped, rearranged and reclassified wherever necessary.

Place : Mumbai  
Date : 8th February, 2020



By Order of the Board of Directors  
For CHEMBOND CHEMICALS LTD.

Nirmal 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 ('the Statement') of Chembond Chemicals Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the quarter and nine months ended December 31, 2019 being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').
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. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



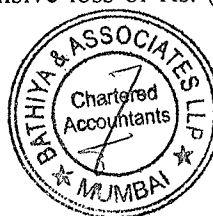
We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.

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. [previously known as Ichembond Water Sdn. Bhd.]	Step down Subsidiary Company
Phiroze Sethna Private Limited	Subsidiary Company
Gramos Chemicals India Private Limited	Step down Subsidiary Company
Chembond Distribution Limited	Subsidiary Company

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the reports of the other auditors referred to in Paragraph 6 below, 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.

6. We did not review the interim financial results of three of the subsidiaries and one step down subsidiary (excluding a foreign step down subsidiary) included in the consolidated unaudited financial results, whose interim financial results reflect total revenue of Rs. 2,533.87 Lakhs and Rs. 6,934.64 lakhs, total net loss of Rs. (49.86) Lakhs and Rs. (376.34) lakhs and total comprehensive loss of Rs. (56.84) Lakhs and Rs.



(397.27) lakhs for the quarter ended December 31, 2019 and for the period from April 1, 2019 to December 31, 2019 respectively. 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 conclusion 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 and the procedures performed by us as stated in paragraph 3 above.

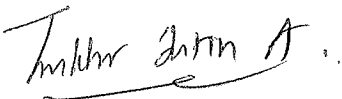
The financial results of one of the foreign step down subsidiary included in the Statement, whose financial results reflects revenue of Rs. 25.06 Lakhs and Rs. 148.50 lakhs, net profit / (loss) of Rs. (0.55) Lakhs and Rs. 18.02 lakhs and total comprehensive Income / (Loss) of Rs. (0.55) Lakhs and Rs. 18.02 Lakhs for the quarter ended December 31, 2019 and for the period from April 1, 2019 to December 31, 2019 respectively 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 conclusion 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. According to the information and explanations given to us the Management, these financial results are not material to the Group.

Our conclusion is not modified in respect of these matters.

For **Bathiya & Associates LLP**

Chartered Accountants

Firm's Registration No. 101046W / W100063



**Jatin A. Thakkar**

Partner

Membership No. 134767



UDIN: 20134767AAAAAE5562

Place: Mumbai.

Date: February 08, 2020

**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, 2019

Sr. No	Particulars	Quarter Ended			Nine Months Ended		(Rs. in Lakhs)
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	Year Ended 31.03.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	1,346.38	1,236.09	3,686.52	4,740.78	12,939.72	15,628.96
2	Other Income	120.52	104.58	42.33	542.23	315.25	564.58
3	<b>Total Income</b>	<b>1,466.90</b>	<b>1,340.67</b>	<b>3,728.85</b>	<b>5,283.01</b>	<b>13,254.97</b>	<b>16,193.54</b>
4	<b>Expenses</b>						
	a. Cost of materials consumed	654.22	548.86	1,477.60	2,271.03	8,402.10	9,997.23
	b. Purchases of Stock-in trade	2.76	58.06	1,001.43	243.80	1,021.75	1,098.15
	c. Changes in inventories of Finished Goods, Work-in-progress and Stock-in-trade	14.35	(21.72)	109.06	128.21	64.42	67.40
	d. Employees Benefit Expenses	198.00	213.00	482.34	711.13	1,472.45	1,957.12
	e. Finance Costs	0.94	1.24	6.85	4.05	26.15	29.12
	f. Depreciation and Amortisation Expenses	69.26	69.95	68.74	208.32	219.26	287.77
	g. Other Expenses	376.23	357.34	432.37	1,117.55	1,593.90	2,050.49
	<b>Total Expenses</b>	<b>1,315.76</b>	<b>1,226.73</b>	<b>3,578.39</b>	<b>4,684.09</b>	<b>12,800.03</b>	<b>15,487.28</b>
5	<b>Profit before exceptional items and tax</b>	<b>151.14</b>	<b>113.94</b>	<b>150.46</b>	<b>598.92</b>	<b>454.94</b>	<b>706.26</b>
6	Exceptional items	-	-	-	-	-	-
7	<b>Profit before tax</b>	<b>151.14</b>	<b>113.94</b>	<b>150.46</b>	<b>598.92</b>	<b>454.94</b>	<b>706.26</b>
8	<b>Tax Expense</b>						
	- Current Tax	46.49	23.89	56.55	123.38	117.64	163.93
	- Deferred Tax	7.74	29.64	(22.00)	(31.85)	(100.00)	(90.82)
	- Tax in respect of earlier years	3.49	3.81	-	7.30	-	-
9	<b>Profit For the Period</b>	<b>93.42</b>	<b>56.60</b>	<b>115.91</b>	<b>500.09</b>	<b>437.30</b>	<b>633.15</b>
10	<b>Other Comprehensive Income / (loss)</b>						
	i) Items that will not be reclassified to profit or loss	(2.40)	(2.40)	1.27	(7.19)	3.80	(9.58)
	ii) Income Tax relating to items that will not be reclassified to profit or loss	0.49	0.49	(0.25)	1.48	(0.76)	1.93
	i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	ii) Income Tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Other Comprehensive Income / (loss)</b>	<b>(1.91)</b>	<b>(1.91)</b>	<b>1.02</b>	<b>(5.71)</b>	<b>3.04</b>	<b>(7.65)</b>
11	<b>Total Comprehensive Income / (loss) for the period</b>	<b>91.51</b>	<b>54.69</b>	<b>116.93</b>	<b>494.39</b>	<b>440.34</b>	<b>625.50</b>
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						22,282.45
14	<b>Earning Per Share ( FV of Rs.5 each) (not annualised)</b>						
	Basic and Diluted EPS	0.69	0.42	0.86	3.72	3.25	4.71

**Notes**

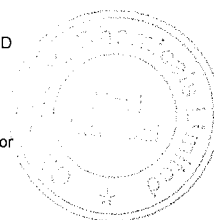
- The above results for the quarter and nine months ended 31st December, 2019, have been reviewed by the Audit Committee, approved by the Board of Directors at their meeting held on 8th February, 2020 and have been subjected to limited review by the Statutory Auditors.
- This Statement has been prepared 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.
- 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.
- Other Income includes dividend from Subsidiary Company for the quarter and nine months ended 31st December, 2019 of Rs. Nil (Rs. Nil) and Rs.186.80 Lakhs (Rs.240.95 Lakhs) respectively and year ended 31st March, 2019 Rs.240.95 Lakhs.
- Consequent to the expiry of the toll manufacturing contract for metal treatment chemicals in June 2018, the results for nine months ended December 31st 2019 are not comparable with results for nine months ended December 31st 2018 to that extent. The Company has now re-entered the Metal Treatment Chemicals business on its own through its wholly owned subsidiary Chembond Material Technologies Private Limited.
- The Company has evaluated the option permitted under section 115BAA of the Income tax Act, 1961 ("the Act") as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has presently decided to continue with the existing tax structure.
- The figures for corresponding previous periods have been restated/regrouped, rearranged and reclassified wherever necessary.

Place : Mumbai  
Date : 8th February, 2020



By Order of the Board of Directors  
For CHEMBOND CHEMICALS LTD

Nirmal V. Shah  
Vice 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 unaudited standalone financial results of Chembond Chemicals Limited ("the Company") for the quarter and nine months ended December 31, 2019 ("the Statement"), 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 Regulation'), read with SEBI circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').
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. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. 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 Requirements) Regulations, 2015 read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Bathiya & Associates LLP,**

Chartered Accountants

Firm's Registration No. 101046W / W100063



**Jatin A. Thakkar**

Partner

Membership No. 134767



**UDIN: 20134767AAAAAD6020**

**Place: Mumbai.**

**Date: February 08, 2020**