INDEPENDENT AUDITOR'S REPORT

To the Members of

Chembond Material Technologies Private Limited

1. **Opinion**

We have audited the accompanying standalone financial statements of **Chembond Material Technologies Private Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit, total comprehensive income, Changes in equity and its Cash Flows for the year ended on that date.

2. **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. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements 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 standalone financial statements under the provisions of the Companies Act, 2013 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Results.

3. **Information Other than Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexures to the Board Report, but does not include the standalone financial statements and auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

4. **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company’s financial reporting process.

5. **Auditor's Responsibility for the audit of the Financial Statements.**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on Our independence, and where applicable, related safeguards.

6. **Report on Other Legal and Regulatory Requirements**

A) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

B) As required by section 143 (3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, **except for certain matters in respect of audit trail as stated in para 2h(vi) below.**

c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standard (IND AS) specified under section 133 of the Act.

e. On the basis of written representations received from the Directors as on March 31, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. The modifications relating to maintenance of accounts and other matters connected therewith in respect of audit trail are as stated in paragraph 6B(b) above on reporting under section 143(3)(b) of the Act and paragraph 6(B)(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact if any, of pending litigations on its financial position in its financial statements,

   ii. In our opinion and as per the information and explanations provided to us the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or Indian accounting standards for material foreseeable losses,

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under iv (a) and (b) above, contain any material misstatement.

   v. The company has not declared or paid any dividend during the year.

vi. Based on our examination which included test checks, the company has used an accounting software, payroll application and employee reimbursement software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software / application. However, Audit trail feature is not enabled at the database level for accounting software to log any direct data changes as described in Note No. 45 to the financial statements. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of the accounting software, payroll application and employee reimbursement software.

As proviso to Rule 3(1) of Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For M/s. Kastury & Talati
Chartered Accountants
Firm's Registration No: 104908W

Place: Mumbai
Date : 11th May, 2024

Dhiren P. Talati: Partner
Membership No: F/41867

"Annexure A" to the Independent Auditors' Report

The Annexure Referred to in paragraph 6A of the Independent Auditor's Report of even date to the members of Chembond Material Technologies Private Limited on the Financial Statements for the year ended March 31, 2024.

1) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of Intangible Assets.

(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which Property, Plant and Equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the financial statements are held in the name of the company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year under consideration.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, No proceedings have been initiated or are pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and Rules made thereunder.

2) (a) The management has conducted the physical verification of inventory at reasonable intervals and in our opinion the coverage and procedure of such verification by the management is appropriate. As informed to us, discrepancies of 10% or more in the aggregate for each class of Inventory on physical verification of the inventory as compared to books records has not been noticed.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company, during any point of time of the year, has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.

3) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year under consideration the Company has not made investments in, provided any guarantee or security or granted any Loans or advances in the nature of loans, Secured or Unsecured, to Companies, Firms, Limited Liability Partnerships or any Other Parties. Therefore, the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

4) The company has not given loans, made investments, given guarantees and provided securities covered by provisions of section 185 and 186 of the Companies Act, 2013. Therefore, clause 3(iv) of the aforesaid Order is not applicable to the Company.

5) The Company has not accepted any deposits or amounts which are deemed to be deposits and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 are not applicable.

6) On the basis of explanation and representation given by the management and on our broad review of the cost records maintained by the Company pursuant to the Companies (cost records and audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Act, we are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and other statutory dues as applicable with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as on the last day of the financial year concerned for a period of more than six months from the date they become payable.

(b) According to the information and explanation given to us and the records of the company examined by us, there are no Statutory dues of Goods and Service Tax, Provident Fund, Employees' State Insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues which have not been deposited on account of any dispute.

8) According to the information and explanations given to us and the records of the company examined by us, the Company does not have any transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the Tax assessments under the Income Tax Act, 1961.

9) (a) According to the information and explanations given to us and the records of the company examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and the records of the company examined by us, the Company is not declared willful defaulter by any bank or financial institution or any other lender.

(c) According to the information and explanations given to us and the records of the company examined by us, the Company has not obtained any term loans.

(d) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the funds raised on short term basis have not been utilized for long term purposes.

(e) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

10) (a) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.

(b) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.

11) (a) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, no material fraud by the Company or on the company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report in respect of any fraud against the Company by its officers or employees.

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.

14) (a) In our opinion and based on our examination, the company does not have an internal audit system and is also not required to have an internal audit system as per section 138 of the Companies Act 2013.

(b) In view of the above, the provisions of clause 3(xiv)(b) of the Order are not applicable to the Company.

15) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with its directors. Accordingly, the provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

16) (a) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, in our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

(b) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, in our opinion, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, in our opinion, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the group does not have any Core Investment Company (CIC).

17) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the Company has neither incurred cash losses during the year under consideration nor in the immediately preceding financial year.

18) There has been no resignation of the statutory auditors during the year and accordingly the provisions of clause 3(xviii) of the Order are not applicable to the Company.

19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

20) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the Company, the provisions of section 135 of the Companies Act are applicable to the Company. Accordingly, the company has spent the required amount during the year and hence no unspent amount is remaining to be transferred to a Fund specified in schedule VII to the Companies Act, 2013.

21) Based on Rule 6 of the Companies (Accounts) Rules, 2014 provisions for Consolidated Financial Statements are not applicable to the Company. Accordingly, the provisions of clause 3(xxi) of the order are not applicable to the Company.

For M/s Kastury & Talati
Chartered Accountants
Firm's Registration No: 104908W

Place: Mumbai
Date: 11th May, 2024

Dhiren P. Talati: Partner
Membership No: F/41867

"Annexure B" to the Independent Auditors' Report

The Annexure Referred to in paragraph 6B(f) of the Independent Auditor's Report of even date to the members of Chembond Material Technologies Private Limited on the Financial Statements for the year ended March 31, 2024.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls over financial reporting of Chembond Material Technologies Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M/s Kastury & Talati
Chartered Accountants
Firm's Registration No: 104908W

Place: Mumbai
Date: 11th May, 2024

Dhiren P. Talati: Partner
Membership No: F/41867

Chembond Material Technologies Private Limited
CIN U24200MH2000PTC125231
Balance Sheet as at 31st March 2024

		Notes	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
I ASSETS				
1	**Non-current assets**			
	(a) Property, plant and Equipment and Intangible assets			
	i) Property, plant and equipment	2	316.92	346.10
	ii) Capital work-in-progress	2	46.38	31.74
	iii) Other Intangible Assets	2	6.63	4.41
	(b) Deferred tax assets (Net)	3	42.65	152.82
	(c) Financial Assets			
	i) Investments	4	394.20	445.59
	ii)Other financial assets	5	8.67	1.31
	iii) Income tax Assests net	6	13.67	20.68
	Total Non - Current Assets		**829.12**	**1,002.65**
2	**Current Assets**			
	(a) Inventories	7	1,272.54	1,243.65
	(b) Financial Assets			
	i)Trade receivables	8	3,973.10	3,485.98
	ii)Cash and cash equivalents	9	69.32	113.42
	iii)Other bank balances	10	110.80	104.20
	iv)Loans	11	8.56	40.25
	v)Other financial assets	12	-	3.27
	(c) Current Tax (Net)	13	3.80	0.00
	(d) Other current assets	14	106.05	102.12
	Total Current Assets		**5,544.18**	**5,092.90**
	Total Assets		**6,373.30**	**6,095.55**
II EQUITY AND LIABILITIES				
1	**Equity**			
	(a) Equity Share capital	15	151.50	151.50
	(b) Other equity	16	2,194.72	1,386.34
	Total Equity		**2,346.22**	**1,537.84**
2	**Non-Current Liabilities**			
3	**Current liabilities**			
	(a) Financial liabilities			
	i)Borrowings	17	1,153.91	1,190.68
	ii)Trade payables			
	Trade payables -MSMED	18	286.72	215.50
	Trade payables -Others	18	2,092.67	2,695.36
	iii)Other financial liabilities	19	0.28	9.31
	(b) Other current liabilities	20	45.62	117.54
	(c) Provisions	21	447.86	329.33
	Total Current Liabilities		**4,027.08**	**4,557.71**
Total Equity and Liabilities			**6,373.30**	**6,095.55**
	Significant Accounting Policies and Notes on Financial Statements	1-47		

As per our attached report of even date
For M/s Kastury & Talati
Chartered Accountants
Firm Registration Number : 104908W

For and on behalf of Board of Directors of
Chembond Material Technologies Pvt. Ltd.

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED

Sd/-
Dhiren P Talati
Partner
Membership No: F/41867
Place : Mumbai.
Date: 11th May, 2024

Sd/-
Sameer V. Shah
Director
DIN:00105721
Place: Mumbai
Date: 11th May, 2024

Sd/-
Nirmal V. Shah
Director
DIN: 00083853
Place: Mumbai
Date: 11th May, 2024

Chembond Material Technologies Private Limited
CIN U24200MH2000PTC125231
Statement of Profit and Loss for the year ended 31st March 2024

		Notes	FY 2023-2024 (Rs. In lakhs)	FY 2022-2023 (Rs. In lakhs)
I	Revenue From Operations	22	14,854.58	13,605.40
II	Other Income	23	46.20	33.45
III	Total Revenue (I+II)		**14,900.78**	**13,638.85**
IV	Expenses :			
a)	Cost of Materials Consumed	24	10,432.63	9,590.50
b)	Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	25	(262.63)	156.17
c)	Employee Benefits Expense	26	1,669.94	1,229.88
d)	Finance Costs	27	116.29	129.32
e)	Depreciation and Amortisation expense	28	46.63	30.75
f)	Other Expenses	29	1,773.51	1,678.66
	Total Expenses		**13,776.37**	**12,815.28**
V	Profit before Exceptional items and Tax		1,124.41	823.57
VI	Exceptional Items		-	-
VII	Profit before Tax		1,124.41	823.57
VIII	Tax Expense			
	Current Tax		300.54	132.37
	Deferred Tax		(0.58)	(140.56)
	Short/(Excess) provision of Income Tax of earlier years (net)		11.56	(2.46)
	Total Tax Expense		311.52	(10.65)
IX	Profit for the Period		812.90	834.22
X	Other Comprehenshive Income			
1	i) Items that will not be reclassified to profit or loss		(6.53)	8.42
	ii) Income Tax relating to items that will not be reclassified to profit or loss		2.02	(0.05)
2	i) Items that will be reclassified to profit or loss			
	ii) Income Tax relating to items that will be reclassified to profit or loss			
	Other Comprehensive Income (1+2)		(4.51)	8.37
	Total Comprehensive Income (IX+X)		808.38	842.59
XI	Earning Per Equity Share of Face Value of Rs. 10 each	30		
	Basic (in Rs.)		53.66	55.06
	Diluted (in Rs.)		53.66	55.06

As per our attached report of even date
For M/s Kastury & Talati
Chartered Accountants
Firm Registration Number : 104908W

Sd/-
Dhiren P Talati
Partner
Membership No: F/41867
Place : Mumbai
Date: 11th May, 2024

For and on behalf of Board of Directors of
Chembond Material Technologies Pvt. Ltd.

Sd/-
Sameer V. Shah
Director
DIN:00105721
Place: Mumbai
Date: 11th May, 2024

Sd/-
Nirmal V. Shah
Director
DIN: 00083853
Place: Mumbai
Date: 11th May, 2024

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED

Chembond Material Technologies Private. Limited
Cash Flow Statement for the year ended 31st March, 2024

(Rs.in Lakhs)

Sr No	Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
A.	**Cash Flow From Operating Activities**		
	Net profit / (loss) before tax	**1,124.41**	**823.57**
	Adjustments for: Depreciation and Amortization	46.63	30.75
	Loss on sale of Fixed assets		1.43
	Finance Cost	116.29	129.32
		162.91	**161.50**
	Less: Foreign exchange fluctuation	12.52	2.39
	Profit on sale of investment	23.12	1.50
	Unrealised gain on investments	16.71	-
	Operating profit before working capital changes	**1,234.97**	**981.18**
	Adjustments for		
	Inventories	(28.89)	36.65
	Trade and other receivables	(346.27)	(647.53)
	Trade and other payables	(493.86)	45.88
	Cash generated from operating activities	**365.95**	**416.18**
	Taxes paid	(311.52)	(121.25)
	Net cash generated from operating activities	**54.43**	**294.93**
B.	**Cash Flow From Investing Activities**		
	Purchase of fixed assets	(28.87)	(16.66)
	Proceeds from sale of fixed asset	-	12.99
	Purchase of Investment	(125.00)	(217.88)
	Sale of investment	215.00	96.82
	Net cash used in investing activities	**61.13**	**(124.73)**
C.	**Cash Flow From Financing Activities:**		
	Finance Cost	(116.29)	(129.32)
	Net increase / (decrease) in working capital borrowings	(36.77)	(177.34)
	Issue of Shares (Cash recd from Capital increase)	-	-
	Issue of Shares (Cash recd from Share premium)	-	-
	Net cash used in financing activities	**(153.05)**	**(306.66)**
D.	**Net (decrease) / increase in cash and cash equivalents (A+B+C)**	**(37.49)**	**(136.45)**
E.	**Cash and cash equivalents - Opening balance**	**217.62**	**354.07**
F.	**Cash and cash equivalents - Closing balance (D+E)**	**180.13**	**217.62**

2 **Components of Cash and cash equivalents:**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash and cash equivalents	69.32	113.42
Bank balances	110.80	104.20
Total	**180.13**	**217.62**

As per our attached report of even date
For M/s Kastury & Talati
Chartered Accountants
Firm Registration Number : 104908W

Sd/-
Dhiren P Talati
Partner
Membership No: F/41867
Place : Mumbai
Date: 11th May, 2024

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED

For and on behalf of Board of Directors of
Chembond Material Technologies Pvt. Ltd.

Sd/-	**Sd/-**
Sameer V. Shah	**Nirmal V. Shah**
Director	**Director**
DIN:00105721	**DIN: 00083853**
Place: Mumbai	**Place: Mumbai**
Date:11th May, 2024	**Date:11th May, 2024**

Chembond Material Technologies Pvt. Ltd.
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2024

Rs. In Lakhs

(a) Equity share capital for the Year Ended 31st March 2024		
	No. of Shares	Amount
Balance as at 31st March 2023	15,15,000	151.50
Changes in Equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the current period	-	-
Balance as at 31st March 2024	15,15,000	151.50
(a) Equity share capital for the year ended 31st March 2023		
	No. of Shares	Amount
Balance as at 31st March 2022	15,15,000	1,51,50,000
Changes in Equity share capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the current year	-	-
	-	-
Balance as at 31 March 2023	15,15,000	1,51,50,000

(b) Other Equity for the year ended 31st March, 2024

Rs. In Lakhs

Particulars	Reserves and Surplus				Statement of other comprehensive Income	
	General Reserve	Securities premium	Retained earnings/Profit & Loss Account	Capital reserve	Remeasurements of the net defined benefit Plans	Total other equity
Balance as at 31st March 2023	93.96	843.87	419.65	30.00	(1.14)	1,386.34
Total Comprehensive						
Profit for the Period			812.90	-		812.90
Other comprehensive income for the Period					(4.51)	(4.51)
Transactions with owners of the company						
Interim Dividend on Equity Shares						
Interim Dividend Distribution Tax						
Dividend on Equity Shares						
Dividend Distribution Tax of earlier year						
Premium on allotment of shares by way of right issue		-				-
Transferred to General Reserve						
Transferred from Retained Earnings						
Balance as at 31st March, 2024	93.96	843.87	1,232.54	30.00	(5.65)	2,194.72

(b) Other Equity for the year ended 31st March 2023

Rs. In Lakhs

Particulars	Reserves and Surplus		Statement of other comprehensive Income			
	General Reserve	Securities premium	Retained earnings/Profit & Loss Account	Capital Reserve	Remeasurements of the net defined benefit Plans	Total other equity
Balance as at 31st March 2022	-	448.57	(400.76)	-	(9.34)	38.46
Total Comprehensive						
CPML Merger	93.96	395.30	(13.81)	-	(0.17)	475.29
Profit for the year			834.22	30.00		864.22
Other comprehensive income for the year					8.37	8.37
Transactions with owners of the company						
Interim Dividend on Equity Shares						
Interim Dividend Distribution Tax						
Dividend on Equity Shares						
Dividend Distribution Tax of earlier year						
Premium on allotment of shares by way of right issue						
Transferred to General Reserve						
Transferred from Retained Earnings						
Balance as at 31st March 2023	93.96	843.87	419.65	30.00	(1.14)	1,386.34

As per our attached report of even date
For M/s Kastury & Talati
Chartered Accountants
Firm Registration Number : 104908W

For and on behalf of Board of Directors of
Chembond Material Technologies Pvt. Ltd.

Sd/-
Dhiren P Talati
Partner
Membership No: F/41867
Place : Mumbai
Date: 11th May, 2024

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED *

Sd/-
Sameer V. Shah
Director
DIN:00105721
Place : Mumbai
Date: 11th May, 2024

Sd/-
Nirmal V. Shah
Director
DIN: 00083853
Place : Mumbai
Date: 11th May, 2024

Chembond Material Technologies Private Limited
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2024
NOTE : 2
Property, plant and equipment, Intangibles and Capital work in progress as at 31st March 2024

Description	GROSS BLOCK (AT COST)				DEPRECIATION INCLUDING AMORTISATION				Revaluation of assets (> 10%)	Impairment of assets	NET BLOCK	
	As at 1.04.2023	Additions	Deductions	As at 31.03.2024	As at 1.04.2023	Additions	Deductions	As at 31.03.2024			As at 31.03.2024	As at 31.03.2023
Property, plant and equipment												
Tangible Assets												
Leasehold Land	35.55			35.55	1.65	0.59		2.24			33.31	33.90
Freehold Land				-							-	-
Buildings	126.73			126.73	34.61	6.34		40.95			85.78	92.12
Plant & Machinery	266.53	11.62		278.15	78.52	26.61		105.13			173.02	188.01
Computers	23.46	4.48		27.94	10.70	10.24		20.94			7.00	12.76
Furniture & Fixtures	35.39			35.39	18.55	1.48		20.03			15.36	16.84
Electric Fittings & Installations	-			-	-			-			-	-
Office equipment	6.21	0.19		6.40	3.74	0.23		3.97			2.44	2.47
Sub- total	493.87	16.29	-	510.16	147.77	45.48		193.25			316.91	346.10
Intangible Assets												
Technical Know-how	3.47			3.47	3.05	0.18		3.23			0.24	0.42
Computer Software	6.98	3.38		10.36	3.00	0.97		3.97			6.39	3.98
Sub-total	10.45	3.38	-	13.83	6.05	1.14		7.19			6.63	4.40
Capital Work in Progress	31.74	14.64		46.38							46.38	31.74
Total	536.06	34.30	-	570.37	153.82	46.63		200.45			369.92	382.24
Previous Year												
Previous Year												

Capital work-in-progress (CWIP):
CWIP ageing schedule
(a) CWIP ageing schedule

CWIP	Amount in CWIP for period of				Total*
	< 1 year	1-2 Yr	2-3 Yr	>3yr	
Projects in progress	-	46.38			46.38
Projects temporarily suspended					
* Total shall tally with CWIP amount in the balance sheet					46.38

Chembond Material Technologies Private Limited
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March 2023
NOTE : 2
Property, plant and equipment, Intangibles and Capital work in progress as at 31st March 2023

(Rs. In lakhs)

Description	GROSS BLOCK (AT COST)				DEPRECIATION INCLUDING AMORTISATION				Revaluation of assets (> 10%)	Impairment of assets	NET BLOCK	
	As at 1.04.2022	Additions	Deductions	As at 31.03.2023	As at 1.04.2022	Additions	Deductions	As at 31.03.2023			As at 31.03.2023	As at 31.03.2022
Property, plant and equipment												
Tangible Assets												
Leasehold Land	35.55		-	35.55	1.17	0.48		1.65	-	-	33.90	34.38
Freehold Land	-			-	-			-	-	-	-	-
Buildings	126.73		-	126.73	29.23	5.38		34.61	-	-	92.12	97.50
Plant & Machinery	260.36	8.29	10.52	258.14	61.43	17.20	1.75	76.89	-	-	181.25	198.93
Computers	26.78	4.21	7.89	23.11	10.71	4.38	4.74	10.36	-	-	12.75	16.07
Furniture & Fixtures	35.27	0.12		35.39	17.23	1.32		18.55	-	-	16.84	18.04
Electric Fittings & Installations	-			-	-			-	-	-	-	-
Office equipment	6.36		0.15	6.21	3.74	0.14	0.14	3.74	-	-	2.47	2.62
Sub- total	491.05	12.63	9.56	485.13	123.51	28.91	1.94	145.80	-	-	339.33	367.54
Intangible Assets												
Technical Know-how	3.47			3.47	1.94	0.56		2.51	-	-	0.96	1.53
Computer Software	6.97			6.97	1.66	0.79		2.46	-	-	4.52	5.31
Sub-total	10.44	-	-	10.44	3.61	1.35	-	4.96	-	-	5.48	6.84
Capital Work in Progress		16.89		16.89		-	-				16.89	
Total	501.50	29.52	9.56	512.47	127.12	30.27	1.94	150.77	-	-	361.70	374.38
Previous Year	449.75	58.68	6.93	501.50	104.63	29.08	6.58	127.12	-	-	374.38	345.12

Capital work-in-progress (CWIP):
CWIP ageing schedule
(a) CWIP ageing schedule

CWIP	Amount in CWIP for period of				Total*
	< 1 year	1-2 Yr	2-3 Yr	>3yr	
Projects in progress	16.89				16.89
Projects temporarily suspended					
* Total shall tally with CWIP amount in the balance sheet					16.89

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED *

		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
3 DEFERRED TAX ASSET (NET)			
Deferred tax Asset			
Gratuity		(3.15)	2.30
MAT Credit		55.85	161.88
Provision for Doubtful Debts		46.90	36.57
		99.61	200.76
Deferred tax Liability			
Unrealised Gain on Investment		21.75	18.89
Depreciation		35.21	29.06
		56.95	47.94
Net Deferred Tax Asset	Total	42.65	152.82

		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
4 INVESTMENTS			
Investment in Mutual Funds		394.20	445.59
	Total	394.20	445.59

		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
5 OTHER FINANCIAL ASSETS			
(Unsecured & considered good)			
Other Deposits		8.67	1.31
	Total	8.67	1.31

		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
6 INCOME TAX ASSET NET			
Tax paid in advance (Net of provisions)		13.67	20.68
	Total	13.67	20.68

		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
7 INVENTORIES			
(At lower of Cost and Net Realisable Value)			
Raw Material		718.48	803.81
Packing Material		60.02	50.70
Finished Goods		493.57	278.40
Stock-in-Trade		0.47	110.74
	Total	1,272.54	1,243.65

		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
8 TRADE RECEIVABLES			
(Unsecured)			
Unsecured Considered Good		3,973.10	3,485.98
Unsecured Considered doubtful		151.77	140.67
Less : Provision for Doubtful Debts		151.77	140.67
	Total	3,973.10	3,486

a For Related party transactions Refer Note No.37

		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
9 CASH AND CASH EQUIVALENTS			
Balances with banks			
In Current Accounts		69.26	113.35
Cash on hand		0.07	0.08
	Total	69.32	113.42

		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
10 OTHER BANK BALANCES			
Margin money (Including deposits with orginal maturity of more than 3 months)		38.98	104.20
In Unpaid Dividend Accounts			
Fixed deposit unlien		71.83	
	Total	110.80	104.20

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED

			As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
11	**LOANS**			
	(Unsecured & considered good)			
	Loan and advance to Employees		8.56	7.83
	Other Loans & Advances		-	32.42
		Total	8.56	40.25

			As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
12	**OTHER FINANCIAL ASSETS**			
	(Unsecured & considered good)			
	Security Deposits		-	3.27
		Total	-	3.27

			As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
13	**CURRENT TAX (NET)**			
	Current Tax (Net)		3.80	
		Total	3.80	

			As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
14	**OTHER CURRENT ASSETS**			
	Prepaid expenses		12.30	10.24
	Advances for supply of goods and services		82.56	87.58
	Other Current Assets		11.19	4.31
		Total	106.05	102.12

			As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
15	**SHARE CAPITAL**			
	Authorised			
	20,00,000 (P.Y. 20,00,000) Equity Shares of Rs.10/- each		200.00	200.00
	Issued, Subscribed and Paid up			
	15,15,000 (P.Y. 15,15,000) Equity Shares of Rs.10/- each fully paid up		151.50	151.50
		Total	151.50	151.50

		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
a	**Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:**		
	Number of shares outstanding at the beginning of the year	15,15,000	15,15,000
	Additions during the year		
	Number of shares outstanding at the end of the year	15,15,000	15,15,000

		As at 31/03/2024	As at 31/03/2023
b	**Details of Shareholders holding more than 5% Shares**		
	Name of the Shareholder	No of Shares	No of Shares
	Chembond Chemicals Limited (Holding Co.)	15,15,000	15,15,000
	% held	100.00%	100.00%

Shareholding of Chembond Chemicals Limited includes 6 shares held by individuals as nominees of the Company.

c **Disclosure of Shareholding of Promoters**

Disclosure of shareholding of promoters as at 31st March, 2024 is as follows:

Shares held by promoter at the end of the period				
Sr. No.	**Promoter Name**	**No. of shares**	**% of total shares**	**% change during the year**
1	Chembond Chemicals Limited	15,14,994	100%	No Change
2	Sameer V. Shah Jointly Shilpa S. Shah*	1	0%	
3	Nirmal V. Shah Jointly Mamta N. Shah*	1	0%	
4	Padma V. Shah*	1	0%	
5	Shilpa S. Shah Jointly Sameer V. Shah*	1	0%	
6	Mamta N. Shah Jointly Nirmal V. Shah*	1	0%	
7	Rashmi S. Gavli*	1	0%	

* Nominee shareholders of Chembond Chemicals Limited

Disclosure of shareholding of promoters as at 31st March, 2023 is as follows:

Shares held by promoter at the end of the year				
Sr. No.	**Promoter Name**	**No. of shares**	**% of total shares**	**% change during the year**
1	Chembond Chemicals Limited	15,14,994	100%	No Change
2	Sameer V. Shah Jointly Shilpa S. Shah*	1	0%	
3	Nirmal V. Shah Jointly Mamta N. Shah*	1	0%	
4	Padma V. Shah*	1	0%	
5	Shilpa S. Shah Jointly Sameer V. Shah*	1	0%	
6	Mamta N. Shah Jointly Nirmal V. Shah*	1	0%	
7	Rashmi S. Gavli*	1	0%	

* Nominee shareholders of Chembond Chemicals Limited

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED

d **Terms/Rights attached to Equity Shares**

The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

16 OTHER EQUITY

	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
Share Premium		
As per last year	843.87	448.57
Add: on account of CPML merger	-	395.30
	843.87	843.87
General Reserves		
As per last year	93.96	-
Add: on account of CPML merger	-	93.96
	93.96	93.96
Retained Earnings		
As per last year	419.65	-400.76
Add: Profit for the Period	812.90	834.22
	1,232.54	419.65
Capital Reserve	30.00	30.00
Other Comprehensive Income (OCI)		
Remeasurements of the net defined benefit Plans		
As per last year	(1.14)	(9.34)
Movement During the Period	(4.51)	8.372
	(5.65)	(1.14)
Total	2,194.72	1,386.34

17 CURRENT BORROWINGS

	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
(Repayable on demand)		
Secured		
Working Capital Loan from Banks	83.91	40.68
(Working capital loan is secured by charge on Stock & Debtors)		
Unsecured		
Loans from Related Parties	1,070.00	1,150.00
Total	1,153.91	1,190.68

a For Related party transactions Refer Note No.38

18 TRADE PAYABLES

	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
Micro, Small and Medium Enterprises	286.72	215.50
Others	2,092.67	2,695.36
Total	2,379.39	2,910.85

a For Related party transaction Refer Note No.38

b The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31st March,2024.The disclosure pursuant to the said Act is as under:

	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
Principal amount due to suppliers under MSMED Act, 2006	286.72	215.50
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount	-	0.33
Payment made to suppliers (other than interest) beyond the appointed day, during the period	-	-
Interest paid/adjusted to suppliers under MSMED Act, 2006 (other than section 16)	-	-
Interest paid/adjusted to suppliers under MSMED Act, 2006 (Section	-	-
Interest due and payable to suppliers under MSMED Act, 2006 for payments already made	-	-
Interest accrued and remaining unpaid at the end of the period to suppliers under MSMED Act, 2006	-	0.33

The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED

19 OTHER CURRENT FINANCIAL LIABILITIES

		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
Other Payables		-	4.01
Creditors for Capital Expenditure		0.28	1.28
	Total	0.28	9.31

20 OTHER CURRENT LIABILITIES

		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
Advance Received From Customers		16.59	11.31
Statutory Dues		29.04	106.22
	Total	45.62	117.54

21 SHORT-TERM PROVISIONS

		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
Provision for Gratuity		-	8.74
Provision for Employee Benefits Payable		447.86	320.59
Provision for Current tax (net of advance tax)			
	Total	447.86	329.33

22 REVENUE FROM OPERATIONS

		FY 2023-2024 (Rs. In lakhs)	FY 2022-2023 (Rs. In lakhs)
Revenue from Sale of products			
Sale of goods		14,831.24	13,594.68
Sub total- (i)		14,831.24	13,594.68
Other Operating revenues			
Miscellaneous Income		23.34	10.72
Sub total- (ii)		23.34	10.72
Total revenue from operations (i+ii)	Total	14,854.58	13,605.40

a For Related party transactions Refer Note No.38

23 OTHER INCOME

		FY 2023-2024 (Rs. In lakhs)	FY 2022-2023 (Rs. In lakhs)
Gross Interest		6.36	5.67
Foreign Exchange Fluctuation Loss/ (Gain)		0.00	0.00
Profit on Sale of Investment		23.12	1.50
Unrealised Gain on FV of Investment		16.71	21.07
Miscellaneous Income		-	5.21
	Total	46.20	33.45

24 COST OF MATERIALS CONSUMED

		FY 2023-2024 (Rs. In lakhs)	FY 2022-2023 (Rs. In lakhs)
Particulars of Raw Materials Consumed			
Raw Materials Consumed		9,693.06	8,918.46
Packing Material		739.56	672.04
	Total	10,432.63	9,590.50

a For Related party transactions Refer Note No.38

25 CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS AND TRADED GOODS

		FY 2023-2024 (Rs. In lakhs)	FY 2022-2023 (Rs. In lakhs)
a) Finished products/ Stock in Trade (At Close)			
Finished Products		457.42	194.79
b) Finished products/ Stock in Trade (At commencement)			
Finished products		194.79	350.96
	Total	(262.63)	156.17

26 EMPLOYEE BENEFIT EXPENSES

		FY 2023-2024 (Rs. In lakhs)	FY 2022-2023 (Rs. In lakhs)
Salaries & Wages		1,562.44	1,141.47
Contribution to Provident & other funds		89.47	61.62
Staff Welfare Expenses		18.04	26.79
	Total	1,669.94	1,229.88

a For Related party transaction Refer Note No.38

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED

27 FINANCE COST

		FY 2023-2024 (Rs. In lakhs)	FY 2022-2023 (Rs. In lakhs)
- Banks		8.79	10.32
- MSMED		0.10	0.33
- Others		104.10	115.62
Bank Guarantee fees & charges		3.30	3.05
	Total	116.29	129.32

28 DEPRECIATION AND AMORTISATION EXPENSES

		FY 2023-2024 (Rs. In lakhs)	FY 2022-2023 (Rs. In lakhs)
Depreciation and Amortisation Expenses		46.63	30.75
	Total	46.63	30.75

29 OTHER EXPENSES

		FY 2023-2024 (Rs. In lakhs)	FY 2022-2023 (Rs. In lakhs)
MANUFACTURING EXPENSES			
Consumable stores		14.57	15.10
Power, Fuel & Water Charges		53.28	52.71
Research and Development		17.39	12.90
Repairs and Renewals to Plant & Machinery		21.40	22.26
Godown Rent		31.17	40.24
Labour Charges		53.98	34.73
Security Expenses		9.91	12.87
Factory Maintenance		6.70	6.38
	A	**208.40**	**197.18**
ADMINISTRATIVE EXPENSES			
Director's Sitting Fees		2.80	1.20
Rates & Taxes		1.40	2.13
Printing and stationary		1.14	2.65
Telephone & Postage Expenses		9.08	7.84
Insurance		16.30	13.31
Motor car expenses		43.74	36.26
Auditors Remuneration		5.87	4.15
Legal, Professional & consultancy fees		239.54	162.80
Repairs & Maintenance Others		28.48	27.88
Miscellaneous expenses		18.69	35.22
Donation		0.13	0.00
CSR Expenditure		4.91	0.00
Provision for Doubtful Debts		11.10	24.83
Input GST Disallowed		0.14	27.70
Foreign Exchange Fluctuation Loss/ (Gain)		12.52	2.39
	B	**402.58**	**387.83**
SELLING AND DISTRIBUTION EXPENSES			
Carriage outwards		559.86	490.20
Commission on sales		282.01	338.10
Travelling Expenses		160.07	107.31
Conveyance expenses		71.64	66.36
Royalty Expenses		27.19	32.43
Advertising & Publicity Expenses		2.05	1.46
Warehousing Charges		10.92	9.73
Sales Promotion Expenses		48.78	48.05
	C	**1,162.53**	**1,093.64**
	Total	**1,773.51**	**1,678.66**

a **Auditor's Remuneration consists of:**

		2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
Statutory Audit Fees		5.87	4.15
	Total	5.87	4.15

a For Related party transactions Refer Note No.38

30 EARNINGS PER SHARE

	12M FY23-24	12M FY22-23
Net Profit available to Equity Shareholders (Rs. In Lakhs)	812.90	834.22
Total number of Equity Shares (Face value of Rs. 10/- each fully paid up)	15,15,000.00	15,15,000.00
Weighted No. of Equity Shares	15,15,000.00	15,15,000.00
Basic Earnings per Share (in Rupees)	53.66	55.06
Diluted No. of Equity Shares	15,15,000.00	15,15,000.00
Diluted Earnings per Share (in Rupees)	53.66	55.06

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED

Chembond Material Technologies Private Limited
Notes forming part of the Revised Financial Statements as at 31st March, 2024

NOTE : 31

Rs.in Lakhs

Reconciliation of tax expense	**2023-24**	**2022-23**
Current Income Tax		
The income tax expense consists of the followings:		
Particulars		
Current Income Tax	300.54	132.37
Deferred Tax Expense	(0.58)	(140.56)
Short/(Excess) provision of Income Tax of earlier years (net)	11.56	(2.46)
Tax expense for the year	311.52	(10.65)
Reconciliation of tax expense and the accounting profit multiplied by India's tax Rate		
Profit before income tax expense	1,124.41	823.57
Indian statutory income tax rate (MAT)	16.69%	15.60%
Expected Income Tax expenses	187.69	128.48
Part A		
Tax effect of amounts which are not deductible (allowable) in calculating taxable income:		
Additional allowances/deduction	1.85	4.01
Transition gain	-	-
MAT credit entitlement	106.03	-
Others	4.97	-
Short/Excess Provision for earlier years	11.56	(2.46)
Current Tax (A)	**312.10**	**130.03**
Part B		
Deferred Tax Effect at the rate of:	26%	26%
Depreciation	6.15	(5.15)
Unreaslised Gain on Investment	2.86	(8.75)
Other Deferred tax Asset	6.19	
Less:		
Gratuity	(5.45)	(0.85)
MAT Credit	-	(132.38)
Other Deferred tax Asset		
Provision for Doubtful Debts	(10.32)	6.46
Deferred Tax (B)	(0.58)	(140.68)
Tax Expense (A+B)	311.52	(10.65)

Chembond Material Technologies Private Limited
Notes forming part of the Revised Financial Statements as at 31st March, 2024

NOTE : 32
CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) Rs.in Lakhs

Particulars	2023-24	2022-23
(i) Contingent liabilities		
(a) Liabilities disputed - appeals filed with respect to:		
Income Tax (TDS)	-	-
Sales Tax	-	-
Gujarat Value Added tax	-	-
	-	-
(ii) Counter Guarantees given by Company for Bank Guarnatees issued	38.98	35.35
(iii) Capital Commitments		
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-
Total	38.98	35.35

NOTE : 33
CATEGORIES OF FINANCIAL INSTRUMENTS Rs.in Lakhs

	As at March 31, 2024		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
Financial assets			
Investments			
Mutual Funds - quoted	394.2	-	-
Loans to employees / others	-	-	8.56
Deposits Account - Pledged with Government Authorities	-	-	8.67
Security deposits	-	-	0.00
Trade receivables	-	-	3973.10
Cash and cash equivalents	-	-	69.32
Bank balances other than above	-	-	110.80
	394.2	-	4170.46
Financial liabilities			
Borrowings	-	-	1153.91
Trade payables	-	-	2379.39
Other financial liabilities	-	-	0.28
	-	-	3533.59

Rs.in Lakhs

	As at March 31, 2023		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
Financial assets			
Investments			
Mutual Funds - quoted	445.6	-	-
Loans to employees / others	-	-	40.25
Deposits Account - Pledged with Government Authorities	-	-	1.31
Security deposits	-	-	3.27
Trade receivables	-	-	3,485.98
Cash and cash equivalents	-	-	113.42
Bank balances other than above	-	-	104.20
	445.6	-	3,748.44
Financial liabilities			
Borrowings	-	-	1,190.68
Trade payables	-	-	2,910.85
Other financial liabilities	-	-	9.31
	-	-	4,110.84

The management considers that the carrying amount of financial assets and financial liabilities carried as amortised cost approximates their fair value.

NOTE : 34
CAPITAL MANAGEMENT

The Company's capital management objectives are:
- to ensure the Company's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure.

(i) Debt equity ratio

	As at March 31, 2024	As at March 31, 2023
Debt (includes non-current, current borrowings and current maturities of long term debt)	1,153.91	1,190.68
Less : cash and cash equivalents	180.13	113.42
Net debt	973.79	1,077.26
Total equity	**2,346.22**	**1,537.84**
Net debt to total equity ratio	41.5%	70.1%

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED *

NOTE : 35
FINANCIAL RISK MANAGEMENT
Financial risk management
The Company's activities expose it to Credit risk, liquidity risk and market risk.

i. Risk management framework

Risk Management is an integral part of the Company's plans and operations. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The board of directors is responsible for developing and monitoring the Company risk management policies.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities, cash and cash equivalents, mutual funds, bonds etc.

The carrying amount of financial assets represents the maximum credit exposure.

Trade and other receivables

Credit risk is the risk of possible default by the counter party resulting in a financial loss.

The Company manages credit risk through various internal policies and procedures setforth for effective control over credit exposure. These are managed by way of setting various credit approvals,evaluation of financial condition before supply terms, setting credit limits, industry trends,ageing analysis and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Based on prior experience and an assessment of the current economic environment, management believes that sufficient provision is made for credit risk wherever credit is extended to customers.

Cash and cash equivalents
Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made in mainly in mutual funds with good returns and with high credit ratings assigned by International and domestic credit ratings agencies.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

iii. Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

iv. Market risk
Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates). Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

a) Currency risk
The Compnay is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchase, and other expenses are denominated and the functional currency of the Company. The functional currency of the Company is Indian Rupees (INR).
Exposure to currency risk
Foreign Currency Exposures at the year end not hedged by derivative instruments:

		Rs.in Lakhs		Rs.in Lakhs	
		As at 31/03/2024		As at 31/03/2023	
		Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
US Dollars (USD)	Sell	0.71	59.24	(0.04)	(3.14)
Swiss Franc (CHF)	Sell	-	-	0.03	3.06
US Dollars (USD)	buy	0.27	22.42	-	-

b) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Investment committee manages and constantly reviews the interest rate movements in the market. This risk is mitigated by the Company by investing the funds in varioustenors depending on the liquidity needs of the Company. The Company's exposures to interest rate risk is not significant.

NOTE : 36
EMPLOYEE BENEFIT PLANS
Defined contribution plan

Contributions are made to Employee Provident Fund (RPF), Employees State Insurance Scheme (ESIC) and other Funds which covers all regular employees. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain percentage of the employee's salary. Amount recognised as expense in respect of these defined contribution plans, aggregate to Rs 53.87 Lakhs (Previous year Rs 42.97 Lakhs).

Rs.in Lakhs

	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to Provident Fund and Family Pension Fund, Others	88.01	60.48
Contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	1.36	1.07
Contribution to Labour Welfare Fund	0.09	0.07

Defined benefit plan
(A) Defined Benefit Plan

The Company's obligation towards the Gratuity Fund is a Defined Benefit Plan. Based on the actuarial valuation obtained in this respect, details of Acturial Valuation are as follows:

Particulars	Gratuity (Funded) As at 31-Mar-2024	Gratuity (Funded) As at 31-Mar-2023
I) Change in Defined Benefit Obligation		
Opening defined benefit obligation	95.64	91.57
Amount recognised in profit and loss	-	-
Current service cost	21.79	19.55
Interest cost	7.16	6.49
Amount recognised in other comprehensive income		
Actuarial loss / (gain) arising from:		
Return on Plan Assets	-	-
Financial assumptions	2.64	(4.32)
Experience adjustment	4.08	(5.73)
Other	-	-
Benefits paid	(10.26)	(11.92)
Closing defined benefit obligation	**121.05**	**95.64**
II) Change in fair value of assets :		
Opening fair value of plan assets	86.90	79.46
Amount recognised in profit and loss		
Interest income	6.51	5.63
Amount recognised in other comprehensive income		
Actuarial gain / (loss)		
Return on Plan Assets, Excluding Interest Income	0.07	(1.06)
Equitable fund transfer in	-	-
Other		
Contributions by employer	48.02	14.80
Benefits paid	(10.26)	(11.92)
Closing fair value of plan assets	**131.24**	**86.90**
Actual return on Plan Assets	6.58	4.56
Plan assets comprise the following		
	Unquoted	Unquoted
Insurance fund (100%)	131.24	97.24
IV) Principal acturial assumptions used		
Rate of Interest (%)	7.30	7.50
Withdrawal rate (%)	1.00	1.00
Salary escalation rate (%)	7.50	7.50
V) Amount recognised in the Balance Sheet	**As at 31st March, 2024**	**As at 31st March, 2023**
Present value of obligations as at year end	121.05	102.56
Fair value of plan assets as at year end	131.24	97.24
Net (asset) / liability recognised as at year end	(10.18)	5.32
Recognised under :		
Current liability	-	8.74
Non current liability	-	-
	-	**8.74**

VII) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	As at 31st March, 2024		As at 31st March, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement) - Gratuity	135.76	108.72	86.73	106.35
Future salary growth (1% movement) - Gratuity	135.57	108.65	106.70	86.19

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

(vii) Expected future cash flows

The expected maturity analysis is as follows :	For year ended 31.03.2024	For year ended 31.03.2023
Expected benefits for year 1	9.20	10.25
Expected benefits for year 2	6.57	4.55
Expected benefits for year 3	5.99	6.33
Expected benefits for year 4	1.75	4.52
Expected benefits for year 5	2.19	1.34
Expected benefits for year 6 and above	51.90	36.21

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED

NOTE : 37

Leases

Rs.in Lakhs

The Company normally acquires offices and warehouses under non-cancellable operational leases. Minimum lease payments outstanding at year end in respect of these asets are as under:	Total Minimum Lease Payment Outstanding as on 31/03/2024	Total Minimum Lease Payment Outstanding as on 31/03/2023
Due within one year	20.79	21.29
Due later than one year and not later than five years	18.36	-
Due later than five years	-	-
Lease payments recognised in the Statement of Profit & Loss	31.17	40.24

NOTE : 38

RELATED PARTY TRANSACTIONS

Details of Related parties and the nature of relationship

Sr no.	Major Headings	Name of related party
I)	Holding Company	Chembond Chemicals Limited
II)	Key Management Personnel	Sameer V. Shah
		Nirmal V. Shah
		Mahendra Ghelani
		Harish Maheshwari
		Raj Kamal Gupta
		Jaywant Tawade
		Subhash Kolhe
		Paresh Trivedi
III)	Relatives of Key Management Personnel	Sameer Shah HUF,Shilpa Shah, Padma Shah,Raunaq Shah,Mallika Shah,Amrita Shah,
		Shashank (Amrita Husband),Alpana Shah,Jyoti Mehta, Nirmal Vinod Shah HUF,Mamta Shah,
		Rahil Shah,Kshitija Shah,M. K. Ghelani (H.U.F.) , Mina Ghelani,Kalyanji Ghelani,Kanta Ghelani,
		Jayant / Madhusudan,Rekha / Sudha
		Mrs. Lata Harish Maheshwari,Mr. Laxmichand Maheswari,Mrs. Lilavati Laxmichand Maheshwari,
		Mr. Jinen Maheshwari, Mr. Pranav Mahesharo,Mrs. Urvi Jinen Maheshwari,Bharat, Nilesh,
		Bharti, Minal, Nandita, Lina
		Anjali Gupta,Vishwa Nath Gupta,Leela Gupta, Abhinav Gupta,Aditi Gupta,Juhi Gupta Raizada,
		Amol Raizada,Kamal Gupta
		Jyotsna Jaywant Tawade,Late Keshavrao Vishram Tawade,Late Seetabai Keshavrao Tawade,
		Sangram Jaywant Tawade,Jui Jaywant Tawade,Yashwant Keshavrao Tawade,
		Mrs. Sushma Ghorpade,Mrs.Rajlaxmi Rane
		Surekha Kolhe, Pandharinath Kolhe,Shakuntala Kolhe,Deepak Kolhe,Sneha Kolhe,
		Priyanka Chaudhari,Kamlakar Chaudhari,Muralidhar Kolhe,Pushpa Rade
IV)	Company in which directors have significant influence	Chembond Water Technologies Limited
		Chembond Water Technologies (Malaysia) Sdn Bhd
		Chembond Water Technologies (Thailand) Co.Ltd.
		Chembond Chemical Specialties Limited
		Rewasoft Solutions Private Limited
		Chembond Clean Water Technologies Ltd.
		Chembond Biosciences Ltd.
		S and N Ventures Pvt. Ltd.
		Visan Holdings Pvt. Ltd.
		Chembond Distribution Ltd.
		Chembond Calvatis Industrial Hygiene Systems Ltd.
		Finor Piplaj Chemicals Limited
		CCL Optoelectronics Pvt. Ltd.
		Chembond Chemicals Limited
		Phiroze Sethna Pvt Ltd.
		Gramos Chemicals India Pvt Ltd.
		Protochem Products Private Limited
		Variety Investments Private Limited
		India Reality Excellence Fund II LLP
		Huber India Private Limited
		Avreon Chemicals India Private Limited

Transaction with Related Parties are as follows:

Year ended 31st March,2024

Rs.in Lakhs

Sr. No.	Particulars	Holding company	Joint Venture Partner	Key Management Person (KMP)	Companies in which directors have significant influence	Total
1	**Purchase**	**534.25**	-	-	**606.29**	**1,140.54**
	Chembond Chemicals Ltd	534.25				534.25
	Finor Piplaj Chemicals Ltd				18.04	18.04
	Chembond Biosciences Limited				34.19	34.19
	Chembond Water Technologies Ltd				3.70	3.70
	Chembond Distribution Ltd.				55.48	55.48
	Gramos Chemicals India Private Limited				433.36	433.36
	Phiroze Sethna Private Limited				61.53	61.53
2	**Sale of Finished Goods**	**169.96**	-	-	**167.16**	**337.12**
	Chembond Chemicals Ltd	169.96				169.96
	Chembond Clean Water Technologies Ltd				5.45	5.45
	Chembond Biosciences Limited				126.96	126.96
	Chembond Water Technologies Ltd				18.12	18.12
	Phiroze Sethna Private Limited				11.86	11.86
	Gramos Chemicals India Private Limited				4.77	4.77
3	**Expenses Rent**	**15.30**	-	-	**9.00**	**24.30**
	Chembond Chemicals Ltd	15.30				15.30
	Gramos Chemicals India Private Limited				7.80	7.80
	Chembond Water Technologies Ltd				1.20	1.20
4	**Reimbursement of Telephone exp.**	-	-	-	**0.36**	**0.36**
	Phiroze Sethna Private Limited				0.25	0.25
	Gramos Chemicals India Private Limited				0.11	0.11

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED *

5	**Reimbursement of Salary Cost**	-	-	-	**101.38**	**101.38**
	Phiroze Sethna Private Limited				101.38	101.38
9	**Sub Contracting Charges**	**486.21**	-	-	**427.73**	**913.94**
	Chembond Chemicals Ltd	486.21				486.21
	Gramos Chemicals India Private Limited				427.73	427.73
13	**Royalty**	-	-	-	**27.19**	**27.19**
	S and N Ventures Pvt. Ltd.				27.19	27.19
15	**Loan Interest Paid**	**97.21**	-	-	-	**97.21**
	Chembond Chemicals Ltd	97.21				97.21
17	**Director Sitting Fees**	-	-	**2.80**	-	**2.80**
	Mahendra K Ghelani			1.10		1.10
	Jaywant Tawade			0.60		0.60
	Raj Kamal Gupta			0.90		0.90
	Dr. Prakash Trivedi			0.20		0.20
18	**Commission**	-	-	**9.35**	-	**9.35**
	Mahendra K Ghelani			0.60		0.60
	Subhash Kolhe			8.50		8.50
	Dr. Prakash Trivedi			0.25		0.25
19	**Consulting fees**	-	-	**71.61**	-	**71.61**
	Subhash Kolhe			53.11		53.11
	Jaywant Tawade			18.50		18.50

Year ended 31st March, 2023 **Rs.in Lakhs**

Sr. No.	Particulars	Holding company	Joint Venture Partner	Key Management Person (KMP)	Companies in which directors have significant influence	Total
1	**Purchase**	**635.72**	-	**0.08**	**881.69**	**1,517.49**
	Chembond Chemicals Ltd	635.72	-	-		635.72
	Finor Piplaj Chemicals Ltd				13.26	13.26
	Chembond Biosciences Limited				5.53	5.53
	Chembond Water Technologies Ltd			0.08	5.69	5.77
	Chembond Clean Water Technologies Ltd				0.34	0.34
	Chembond Distribution Ltd.				75.03	75.03
	Gramos Chemicals India Private Limited				443.03	443.03
	Phiroze Sethna Private Limited				338.81	338.81
	CCL Optoelectronics Pvt. Ltd					-
2	**Sale of Finished Goods**	**212.42**	-	**0.17**	**331.70**	**544.29**
	Chembond Chemicals Ltd	212.42			-	212.42
	Chembond Clean Water Technologies Ltd				5.48	5.48
	Chembond Distribution Ltd.					-
	CCL Optoelectronics Pvt. Ltd				3.48	3.48
	Chembond Biosciences Limited				116.66	116.66
	Finor Piplaj Chemicals Ltd				0.22	0.22
	Chembond Water Technologies Ltd			0.17	43.90	44.07
	Phiroze Sethna Private Limited				89.55	89.55
	Gramos Chemicals India Private Limited				72.41	72.41
3	**Expenses Rent**	**1.02**	-	-	**9.00**	**10.02**
	Chembond Chemicals Ltd	1.02			-	1.02
	Phiroze Sethna Private Limited					-
	Gramos Chemicals India Private Limited				7.80	7.80
	Chembond Water Technologies Ltd				1.20	1.20
4	**Reimbursement of Telephone exp.**	-	-	-	**0.39**	**0.39**
	Phiroze Sethna Private Limited				0.29	0.29
	Gramos Chemicals India Private Limited				0.10	0.10
5	**Reimbursement of Salary Cost**	-	-	-	**137.75**	**137.75**
	Chembond Chemicals Ltd					-
	Phiroze Sethna Private Limited				102.83	102.83
	Gramos Chemicals India Private Limited				34.92	34.92
6	**Reimbursement of Expense**	**8.19**	-	-	**2.72**	**10.91**
	Chembond Chemicals Ltd	8.19				8.19
	Gramos Chemicals India Private Limited				2.72	2.72
7	**Staff Welfare expenses**	-	-	-	**0.28**	**0.28**
	Phiroze Sethna Private Limited				0.28	0.28
8	**Sub Contracting Charges**	**402.00**	-	-	**244.41**	**646.41**
	Chembond Chemicals Ltd	402.00				402.00
	Gramos Chemicals India Private Limited				242.66	242.66
	Chembond Biosciences Limited				1.75	1.75
9	**Charge Out Charges**	-	-	-	**85.49**	**85.49**
	Phiroze Sethna Private Limited				85.49	85.49
10	**Purchase of Fixed assets**	-	-	-	**0.24**	**0.24**
	Phiroze Sethna Private Limited				0.24	0.24
11	**Sale of Fixed assets**	-	-	-	**0.84**	**0.84**
	Gramos Chemicals India Private Limited				0.56	0.56
	Chembond Biosciences Limited				0.28	0.28
12	**Royalty**	-	-	-	**32.43**	**32.43**
	S and N Ventures Pvt. Ltd.				32.43	32.43
13	**Loan Interest Paid**	**115.62**	-	-	-	**115.62**
	Chembond Chemicals Ltd	115.62		-		115.62
14	**Loan Repayment**	**138.00**	-	-	-	**138.00**
	Chembond Chemicals Ltd	138.00		-		138.00
15	**Director Sitting Fees**	-	-	**1.20**	-	**1.20**
	Mahendra K Ghelani			0.30		0.30
	Jaywant Tawade			0.30		0.30
	Raj Kamal Gupta			0.30		0.30
	Prakash Trivedi			0.30		0.30
16	**Commission**	-	-	**5.91**	-	**5.91**
	Subhash Kolhe			5.91		5.91
17	**Consulting fees**	-	-	**65.44**	-	**65.44**
	Subhash Kolhe			48.28		48.28
	Jaywant Tawade			17.16		17.16

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED

Balances Receivable from Related Parties are as Follows:

As at March 31, 2024 — Rs.in Lakhs

Sr. No.	Particulars	Holding company	Joint Venture Partner	Key Management Person (KMP)	Companies in which directors have significant influence	Total
1	**Trade Receivables/Other receivable**	-	-	-	**702.49**	**702.49**
	Chembond Chemicals Ltd (Holding Co.)					-
	Chembond Clean Water Technologies Ltd				1.52	1.52
	Phiroze Sethna Private Limited				9.75	9.75
	Gramos Chemicals India Private Limited				210.62	210.62
	CCL Optoelectronics Pvt. Ltd				0.02	0.02
	Finor Piplaj Chemicals Ltd				0.42	0.42
	Chembond Biosciences Limited				480.15	480.15
2	**Finance (Equity Contribution)**	**151.50**				**151.50**
	Chembond Chemicals Ltd (Holding Co.)	151.50				151.50
	TOTAL	151.50	-	-	702.49	853.99

As at March 31, 2023 — Rs.in Lakhs

Sr. No.	Particulars	Holding company	Joint Venture Partner	Key Management Person (KMP)	Companies in which directors have significant influence	Total
1	**Trade Receivables/Other receivable**	**24.81**	-	-	**350.93**	**375.74**
	Chembond Chemicals Ltd (Holding Co.)	24.81				24.81
	Chembond Clean Water Technologies Ltd				0.89	0.89
	Chembond Water Technologies Ltd				3.99	3.99
	CCL Optoelectronics Pvt. Ltd				3.48	3.48
	Finor Piplaj Chemicals Ltd				0.06	0.06
	Chembond Biosciences Limited				342.51	342.51
2	**Finance (Equity Contribution)**	**151.50**				**151.50**
	Chembond Chemicals Ltd (Holding Co.)	151.50				151.50
	TOTAL	176.31	-	-	350.93	527.24

Balances Payable to Related Parties are as Follows:

As at March 31, 2024 — Rs.in Lakhs

Sr. No.	Particulars	Holding company	Joint Venture Partner	Key Management Person (KMP)	Companies in which directors have significant influence	Total
1	**Trade Payables/Other Payables**	**361.04**	-	-	**18.35**	**379.39**
	Chembond Chemicals Ltd	361.04				361.04
	Chembond Distribution Ltd.				20.92	20.92
	Phiroze Sethna Private Limited				(9.75)	(9.75)
	Chembond Water Technologies Ltd				0.10	0.10
	Finor Piplaj Chemicals Ltd				0.91	0.91
	Jaywant Tawade				1.39	1.39
	Subhash Kolhe				4.78	4.78
2	**Loans**	**1,070.00**	-	-	-	**1,070.00**
	Chembond Chemicals Ltd	1,070.00				1,070.00
	TOTAL	1,431.04	-	-	18.35	1,449.39

As at March 31, 2023 — Rs.in Lakhs

Sr. No.	Particulars	Holding company	Joint Venture Partner	Key Management Person (KMP)	Companies in which directors have significant influence	Total
1	**Trade Payables/Other Payables**	**880.90**	-	**0.26**	**283.23**	**1,164.39**
	Chembond Chemicals Ltd	880.90				880.90
	Chembond Clean Water Technologies Ltd				0.40	0.40
	Phiroze Sethna Private Limited				91.20	91.20
	Gramos Chemicals India Private Limited				186.34	186.34
	Finor Piplaj Chemicals Ltd				3.55	3.55
	Chembond Water Technologies Ltd				0.56	0.56
	Chembond Biosciences Limited				1.17	1.17
	Subhash Kolhe			0.26		0.26
2	**Loans**	**1,150.00**	-	-	-	**1,150.00**
	Chembond Chemicals Ltd	1,150.00				1,150.00
	TOTAL	2,030.90	-	0.26	283.23	2,314.39

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED

NOTE : 39

Ratios

	2023-2024	2022-2023
		Rs.in Lakhs
(a) Current Ratio		
Current Assets(A)	5,544.18	5,092.90
Current Liabilties(B)	4,027.08	4,557.71
Current Ratio(A/B)	**1.38**	**1.12**
(b) Debt-Equity Ratio		
Total Borrowings(A)	1,153.91	1,190.68
Total Shareholders' Equity(B)	2,346.22	1,537.84
Debt-Equity Ratio(A/B)	**0.49**	**0.77**
(c) Debt Service Coverage Ratio		
EBITDA(A)	1,287.32	983.64
Interest on Loan+Loan repayment in a year(B)	112.89	115.62
Debt Service Coverage Ratio(A/B)	**11.40**	**8.51**
(d) Return on Equity Ratio		
Net Profit(A)	812.90	834.22
Average Shareholders Euity(B)	1,942.03	863.90
Return on Equity Ratio(A/B)	**0.42**	**0.97**
(e) Inventory turnover ratio		
Cost of goods Sold(A)	10,170.00	9,746.67
Average Inventory(B)	1,258.09	1,261.97
Inventory turnover Ratio(A/B)	**8.08**	**7.72**
(f) Trade receivables turnover ratio		
Net sales(A)	14,854.58	13,605.40
Average Accounts receivable(B)	3,729.54	3,186.58
Trade receivable turnover Ratio(A/B)	**3.98**	**4.27**
(g) Trade Payables turnover ratio		
Net sales(A)	14,854.58	13,605.40
Average trade payable(B)	2,645.12	2,990.77
Trade Payables turnover Ratio(A/B)	**5.62**	**4.55**
(h) Net Capital turnover ratio		
Net sales(A)	14,854.58	13,605.40
Net assets(B)	1,887.03	917.44
Net Capital turnover Ratio(A/B)	**7.87**	**14.83**
(i) Net Profit ratio		
Net Profit(A)	812.90	834.22
Net Sales(B)	14,854.58	13,605.40
Net Profit Ratio(A/B)	5%	6%
(j) Return on Capital employed		
EBIT(A)	1,240.70	952.89
Shareholders Equity+Long term liabilities(B)	2,346.22	1,537.84
Return on Capital employed(A/B)	**0.53**	**0.62**
(k) Return on Investment		
Net Profit(A)	812.90	834.22
Net assets(B)	1,887.03	917.44
Return on Investment(A/B)	**0.43**	**0.91**

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED

NOTE : 40
Ageing Schedule for Trade receivables
Ageing for trade receivables outstanding as on 31st March'24 is as follows :

Rs.in lakhs

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed trade receivables - considered good	1,868.52	1,604.80	499.78	14.61	71.44	65.72	4,124.87
ii) Undisputed trade receivables - which have significant increase in credit risk							-
iii) undisputed trade receivables - credit impaired							-
iv) Disputed trade receivables - considered good							-
v) Disputed trade receivables - which have significant increase in credit risk							-
vi) Disputed trade receivables - credit impaired							-
Less : Allowance for doubtful trade receivables							(151.77)
Trade receivables							**3,973.10**

Ageing for trade receivables outstanding as on 31st March'23 is as follows :

Rs.in lakhs

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed trade receivables - considered good	2,028.13	987.12	196.88	231.59	124.59	58.33	3,626.66
ii) Undisputed trade receivables - which have significant increase in							-
iii) undisputed trade receivables - credit impaired							-
iv) Disputed trade receivables - considered good							-
v) Disputed trade receivables - which have significant increase in							-
vi) Disputed trade receivables - credit impaired							-
Less : Allowance for doubtful trade receivables							(140.67)
Trade receivables							**3,485.98**

NOTE : 41
Ageing Schedule for Trade Payables
Ageing for trade Payables outstanding as on 31st March'24 is as follows :

Rs.in lakhs

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 yr	1 -2 yrs	2-3 yrs	More than 3 yrs.	Total
I) MSME	286.72	-	-	-	-	286.72
II) Others	1,365.60	313.84	15.80	16.81	-	1,712.04
III) Disputed dues - MSME						-
IV) Disputed dues - Others						-
Accrued expenses						380.63
Net trade payables						**2,379.39**

Ageing for trade Payables outstanding as on 31st March'23 is as follows :

Rs.in lakhs

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 yr	1 -2 yrs	2-3 yrs	More than 3 yrs.	Total
I) MSME	76.37	139.12	-	-	-	215.50
II) Others	1,278.98	890.54	208.15	6.66	(11.66)	2,372.65
III) Disputed dues - MSME						-
IV) Disputed dues - Others						-
Accrued expenses						322.70
Net trade payables						**2,910.85**

NOTE : 42
ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013

i The Company does not have any benami property held in its name. No proceedings have been inititated on or are pending against the Company for holding benami property under the Benami Transactions(Prohibition) Act,1988 (45 of 1988) and Rules made thereunder.

ii The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

iii The Company has complied with the requirement with respect to number of layers as prescribed under Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

iv Utilisation of borrowed funds and share premium

I The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall :
(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

II The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

v There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

vi The Company has not traded or invested in crypto currency or virtual currency during the year.

vii The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

CHEMOMAT MATERIAL TECHNOLOGIES PRIVATE LIMITED viii The Company do not have any transactions with struck off companies under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956

43 CORPORATE SOCIAL RESPONSIBILITY

As per section 135 of the Companies Act 2013, a CSR committee has been formed by the Company. Identification of deserving areas for the Company's CSR activities has been done during the year. With water being the business of the company, The Management has identified village for carrying out CSR activities. The funds were utilised through the year on these activities which were specified in Schedule VII of the Companies Act, 2013.
- Gross amount required to be spent by the company during the year Rs. 3.98 lakhs. (Previous Year Nil Lakhs)
- Amount spent during the year is Rs. 4.91 lakhs (Previous Year Nil Lakhs)

Corporate Social Responsibility [₹ in Lakhs]

	As at March, 2024	As at March, 2023
a) Amount required to be spent by the company during the year	4.91	-
b) Amount of expenditure incurred	-	-
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) and above	4.91	-
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	-	-
f) Nature of CSR activities	Education & Welfare of children	Education & Welfare of children
g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	4.91	-
h) Where a provision is made with respect to a liability incurred by entering into a contractual the year shall be shown separately.	-	-

44 SEGMENT REPORTING

The Company is engaged in Metal Treament chemicals, specialty chemicals, Lubricants, MRO, Industrial Enzymes & Probiotics, which in the context of IND AS 108- Operating segment specifed under section 133 of the Companies Act, 2013 is considered as a single business segment of the company.

45 The Ministry of Corporate Affairs (MCA) has issued a notification – Companies (Accounts) Amendment Rules, 2021 which is effective from 1st April, 2023. The amendment requires that every company which uses an accounting software for maintaining its books of account shall use an accounting software where there is feature of recording audit trail of each and every transaction and further creating an edit log of each change made to the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for maintaining books of account which has a feature of recording audit trail and edit log facility and that has been operative throughout the financial year for the transactions recorded in the software impacting books of account at the application level. The software being managed on public cloud, users do not have access to enable, disable, deactivate or tamper with the audit trail setting.

The Company also uses software for payroll application and employee reimbursement. In both the software, there is a feature of audit log for recording audit trail and the same cannot be disabled or modified at the application level.

The audit trail feature is not enabled at the database level in respect of these software.

46 **Composite Scheme of Arrangement:**
On 12th December, 2023, Chembond Material Technologies Private Limited has entered into the composite scheme of arrangement with its parent company Chembond Chemicals Limited and their respective shareholders and creditors under sections 230-232 read with section 66 and other applicable provisions of Companies Act, 2013 along with applicable rules made thereunder. Upon the scheme becoming effective, CMTPL shall be amalgamated with the parent company CCL from the appointed date of 1st April, 2024. The scheme will be accounted for on receipt of regulatory and other approvals which are pending as on the date of approval of these financial results.

47 The previous years figures have been regrouped, reallocated or reclasified wherever necessary to confirm to current year classification and presentation.

As per our attached report of even date
For M/s Kastury & Talati
Chartered Accountants
Firm Registration Number : 104908W

For and on behalf of Board of Directors of
Chembond Material Technologies Private Limited

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED *

Sd/-
Dhiren P Talati
Partner
Membership No: F/41867
Place : Mumbai
Date: 11th May 2024

Sd/-
Sameer V. Shah
Director
DIN:00105721
Place : Mumbai
Date: 11th May 2024

Sd/-
Nirmal V. Shah
Director
DIN: 00083853
Place : Mumbai
Date: 11th May 2024

COMPANY OVERVIEW

Chembond Material Technologies Private Limited (the 'Company') is a Private Limited company domiciled and incorporated in India under the Indian Companies Act, 1956. The registered office of the Company is located at A/737/5 TTC Midc Indl.area, village Mahape, Navi Mumbai -400710

Chembond Material Technologies Pvt. Ltd. is a subsidiary of Chembond Chemicals Ltd.

Chembond Material Technologies Pvt. Ltd., an ISO 9001:2008 certified company incorporated on 24th March, 2000.

Our product range includes specialty chemicals & lubricants such as corrosion inhibitors, heat treatment chemicals, quenching fluids & aerosol and non aerosol MRO (Maintenance Repair & Operation) products. These are widely demanded in various sectors like automobiles & ancillaries, consumer durables, furniture, engineering, machinery & machine tools and cold forming. Apart from this we supply a large quantum of our products to Government undertakings such as Defense, Railways, Marine & Aviation Industries.

We are also into manufacturing & marketing of Industrial Enzymes used in Textile, Animal Feed, Distillery, Leather, Aqua Fishery, Winery, Bio Fuels & Edible Oil industry, Probiotics used in Animal Health helping to maintain microflora in animal body.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

1 Statement of Compliance

The Company has prepared financial statements for the year ended March 31,2024 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) together with Cashflow statement for the year ended 31st March 2024.

B Basis of Preparation, measurement and Transition to Ind AS

These financial statements of the Company are prepared in Compliance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act. The Statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below:

The accounting policies have been applied consistently over all the periods presented in these financial statements except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are prepared in INR, which is the company's functional currency and is rounded off to the nearest lakhs except otherwise indicated.

C Use of Estimates

The preparation of Financial Statements is in conformity with Ind AS and requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent liabilities on the date of Financial Statements and reported amounts of revenues and expenses during the period. Accounting estimates can change from period to period. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made, and if material, their effects are disclosed in the notes to the financial statements.

Critical accounting estimates and assumptions
The areas involving critical estimates or judgements are:
a. Estimation of taxes
b. Determination of the estimated useful lives of intangible assets and determining intangible assets having an indefinite useful life.
c. Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized
d. Recognition and measurement of defined benefit obligations, key actuarial assumptions
e. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources
f. Fair value of financial instruments

Current and Non-current classification
Any asset or liability is classified as current if it satisfies any of the following conditions:
i.the asset/liability is expected to be realised/ settled in the Company's normal operating cycle;
ii.the asset is intended for sale or consumption;
iii.the asset/liability is held primarily for the purpose of trading;
iv.the asset/liability is expected to be realised/ settled within twelve months after the reporting period
v.the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
vi.in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current
For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months and other criteria set out in the Schedule III to the Companies Act, 2013. This is based on the nature of product/services and the time taken between the acquisition of assets for processing and their realization in cash and cash equivalents.

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED *

D **Property, Plant and Equipment**

Measurement at recognition:
An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost An item of Property, plant and equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following intial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses if any.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.
The cost of an item of property, plant and equipment comprises of its purchase price including taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Profit or Loss on disposal of tangible assets is recognised in the Statement of Profit and Loss.

Subsequent Measurement:
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Intangible Assets
Intangible Assets are stated at historical cost less accumulated amortisation and accumulated impairment loss, if any. Profit or Loss on disposal of intangible assets is recognised in the Statement of Profit and Loss

Depreciation and Amortization

Depreciation on PPE* (other than free hold and lease hold land) has been provided on Straight Line Method at the rates prescribed in Schedule II of the Companies Act, 2013, Freehold land is not depreciated. Leasehold land is amortized over the primary period of lease.

Capital Work-in-progress
Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress.

Derecognition
The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the Statement of Profit and Loss when the item is derecognised.

E **Inventories**
Inventories are valued at lower of the cost determined on weighted average basis or net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis. Damaged, unserviceable and inert stocks are valued at net realizable value.

Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition

Cost of finished goods and work-in-progress includes the cost of materials,an appropriate allocation of overheads and other costs incurred in bringing the inventories to their present location and condition.

The company considers factors like estimated shelf life, product discontinuances and ageing of inventory in determining the provision for slow moving, obsolete and other non-saleable inventory and adjusts the inventory provisions to reflect the recoverable value of inventory.

F **Revenue Recognition**
Revenue is measured at the fair value of consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade discount or rebates and applicable taxes and duties collected on behalf of the government and which are levied on such sales.

The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company.

i. Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer as per terms of Contract, usually on delivery of goods.
ii. Revenue from services is recognised pro-rata as and when services are rendered over a specified period of time. The company collects servive tax / goods and service tax on behalf of the government and therefore it is not an economic benefit flowing to the company. Hence it is excluded from the revenue.

Interest income is recognised using effective interest method on time proportion basis taking in to account the amount outstanding.
Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

G **Foreign Currency Translation**
The functional currency of the Company is Indian rupee (₹).
Transactions in foreign currencies entered into by the Company are accounted in the functional currency at the exchange rates prevailing on the date of the transaction .Monetary assets and liabilities denominated in foreign currency are translated at functional currency closing rate of exchange at the reporting date. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss.

Non-monetory assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

H **Impairment of Assets**
(i) Financial assets (other than at fair value)
The Company assesses at each date of Balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Non-financial assets
Tangible and intangible assets
Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent

CHEMBOND MATERIAL TECHNOLOGIES PRIVATE LIMITED

of those from other assets. in such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the assets belongs.
If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of profit and loss.

(iii) Financial assets
The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:
i.Trade receivables
ii.Financial assets measured at amortised cost (other than trade receivables)
iii.Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. In case of other assets (listed as (ii) and (iii) above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance.
However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.
Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL

(iv)Financial liabilities
Initial recognition and measurement
The Company recognises a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.
Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

Subsequent measurement:
All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest method.
Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortisation using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortised cost at each reporting date. The corresponding effect of the amortisation under effective interest method is recognised as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

Derecognition:
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

I Retirement Benefits :
(a) Short term Employee Benefits
All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.
Post Employment Benefits
I. Defined Contribution Plan
Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.
Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.
II. Defined Benefit plans:
Provident Fund scheme
The Company makes specified monthly contributions towards Employee Provident Fund scheme in accordance with the statutory provisions
Gratuity scheme
The Company operates a defined benefit gratuity plan for employees. The Company contributes to a separate entity (a fund) administered by LIC, towards meeting the Gratuity obligation.
Pension Scheme:
The Company operates a defined benefit pension plan for certain specified employees and is payable upon the employee satisfying certain conditions, as approved by the Board of Directors.
Recognition and measurement of Defined Benefit plans:
The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.
The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

Other Long Term Employee Benefits:
The Company does not allow any accumulation of leavebalance or encashment thereof.

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J Provision For Current & Deferred Tax

Income tax expenses comprises of current and deferred tax expense and is recognised in the statement of profit or loss except to the extent that it relates to items recognized directly in equity or in OCI, in which case, the tax is also recognised in directly in equity or OCI respectively.

Current Tax

Current tax is the amount expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured using tax rates enacted or substantively enacted by the end of reporting period.Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred Income Tax is recognised using the Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and their carrying amount, except when the deferred income tax arisies from the initial recognition of an assets or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the exent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settles its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The Company recognises interest levied and penalties related to income tax assessments in finance costs.

K Earnings Per Share :

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

L Provision, Contingent Liabilities And Contingent Assets :

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities and Contingent Assets

Contingent liability is disclosed for,

(i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

(ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made

Contingent Assets are not recognised in the financial statements.

M Dividend distribution to equity shareholders

Dividend to equity shareholders is recognised as a liability in the period in which the dividends are approved by the equity shareholders. Interim dividends that are declared by the Board of Directors without the need for equity shareholders' approvals are recognised as a liability and deducted from shareholders' equity in the year in which dividends are declared by the Board of directors.

N Lease Accounting

A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease. All other leases are classified as operating leases.

Company as a lessee

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in profit or loss as finance costs, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are generally recognised as an expense in the profit or loss on a straight-line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are also recognised as expenses in the periods in which they are incurred.

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Company as a lessor

Rental income from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

O Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

P Trade Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are usually unsecured. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at their fair value.

Q <u>Financial Instruments</u>

Finacial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liablities are initially measured at fair value. Transacion costa that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and finacial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of finanvial assets or financial liability.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

<u>Subsequent measurement</u>

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:
i.The Company's business model for managing the financial asset and
ii.The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:
i.Financial assets measured at amortised cost
ii.Financial assets measured at fair value through other comprehensive income (FVTOCI)
iii.Financial assets measured at fair value through profit or loss (FVTPL)

i.Financial assets measured at amortised cost
A financial asset is measured at the amortised cost if both the following conditions are met:
a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortised cost.

ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income and impairment losses and its reversals in the Statement of Profit and Loss.

On Derecognition of such financial assets, cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss.Further,the Company, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTOCI. The Company has made such election on an instrument by instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognised under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognised in OCI. However, the Company recognises dividend income from such instruments in the Statement of Profit and Loss when the right to receive payment is established, it is probable that the economic benefits will flow to the Company and the amount can be measured reliably.

On Derecognition of such financial assets, cumulative gain or loss previously recognised in OCI is not reclassified from the equity to Statement of Profit and Loss.

Further, the Company, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTOCI. The Company has made such election on an instrument by instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognised under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognised in OCI. However, the Company recognises dividend income from such instruments in the Statement of Profit and Loss when the right to receive payment is established, it is probable that the economic benefits will flow to the Company and the amount can be measured reliably.

On Derecognition of such financial assets, cumulative gain or loss previously recognised in OCI is not reclassified from the equity to Statement of Profit and Loss. However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortised cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiary and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Statement of Profit and Loss.

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Cash and cash equivalents
The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost
Financial assets are subsequentlymeasure at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

Financial assets at fair value through profit or loss
Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities
Financial liabilities are measured at amortised cost using the effective interest method.

De-recognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

i. The contractual rights to cash flows from the financial asset expires;

ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognise such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognises an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
On Derecognition of a financial asset, (except as mentioned in (ii) above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognised in the Statement of Profit and Loss.