

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**Chembond Chemicals Limited**

### Report on the Audit of the Consolidated Financial Statements:

#### Opinion

We have audited the consolidated financial statements of Chembond Chemicals Limited (“the Company”) and its subsidiaries and associate company listed in **Annexure - A** (the Company, its subsidiaries, step down subsidiaries and step down associate together referred to as “the Group”), which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March 2024, the consolidated statement of Profit and Loss, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (‘Ind AS’) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31<sup>st</sup> March 2024, of its consolidated profit (including other comprehensive income), consolidated changes in equity and consolidated cash flows for the year then ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated 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 consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matters	How our audit addressed the key audit matters
<p><b><u>Contingent liabilities</u></b></p> <p>The Group has disclosed in Note no. 46 to the consolidated financial statements the contingent liabilities as at 31st March, 2024 which includes disputed liabilities in respect of income tax, sales tax, service tax matters and cases lodged against the Company and one of its subsidiaries with respect to inferior quality of products.</p> <p>These involve a high degree of judgement to determine the possible outcomes and estimates relating to the timing and the amount of outflows of resources embodying economic benefits.</p>	<p>The audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>a) Obtained the summary of all disputed matters of the Group and assessed the management's position through discussions.</li> <li>b) Obtained a detailed understanding of processes and controls of the Management with respect to disputed matters.</li> <li>c) Making corroborative inquiries with appropriate level of the management personnel including status update, expectation of outcomes with basis and future course of action contemplated by the Group.</li> <li>d) Evaluating the evidences supporting the judgement of the management about the possible outcomes and the reasonableness of the estimates.</li> <li>e) Evaluating appropriateness of adequate disclosures in accordance with the applicable accounting standards.</li> </ul>

#### Other Matters

- a) We did not audit the financial statements of three Indian subsidiaries, one step down subsidiary and one step down associate company that are included in the Consolidated Financial Statements, whose financial results, without giving effect to elimination of intra-group transactions, reflect total asset of Rs. 10,532.71 lakhs as at March 31, 2024, total revenue from operations of Rs. 18,979.29 lakhs for the year ended March 31, 2024, total profit after tax of Rs. 1,028.61 lakhs for the year ended March 31, 2024, total comprehensive income of Rs. 1,023.41 lakhs for the year ended March 31, 2024 and net cash inflow of Rs. 138.52 lakhs for the year ended March 31, 2024, as considered in the Consolidated Financial Statements. These financial statements have been audited by the other auditors, whose reports have been furnished to us by the management and our opinion on the Consolidated Financials Statements, in so far as it relates to the amounts and disclosure included in respect of these subsidiaries, step-down subsidiary and step-down associate company is based solely on the reports of the other auditors and the required procedures performed by us.
- b) The financial statements of two step down foreign subsidiaries included in the consolidated financial statements, whose financial results, without giving effect to elimination of intra-group transactions, reflects total asset of Rs. 307.71 lakhs as at March 31, 2024, total revenues of Rs. 592.08 lakhs for the year ended March 31, 2024, total profit after tax of Rs. 11.87 lakhs for the year ended March 31, 2024,



total comprehensive income of Rs. 11.87 lakhs for the year ended March 31, 2024 are audited by other auditors according to accounting principles generally accepted in that foreign country. The Holding Company's management has converted the financial statements of such foreign subsidiaries from accounting principles generally accepted in that foreign country to accounting principles generally accepted in India. Accordingly, our report on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiaries is based solely on the basis of the said financial statements certified by the management. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, for example, Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholders Information but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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 this other information, we are required to report that fact to those charged with governance. We have nothing to report in this regard.

### **Responsibilities of management and Those Charged with Governance for the Consolidated Financial Statements**

The accompanying consolidated financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.





In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity 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 entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements:**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Act, we are also responsible for expressing our opinion on whether the Company has an 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We



are responsible for the direction, supervision and performance of the audit of financial information of such entities.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. 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 purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion proper books of account as required by law relating to preparation of the consolidated financial statements have been kept by the Company so far as it appears from our examination of those books *except for the matters stated in 2(vi) below*.
  - c. The consolidated Balance Sheet, the consolidated statement of Profit and Loss including Other Comprehensive Income, the consolidated statement of changes in equity and the consolidated cash flow statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of these consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors of the Company, its subsidiaries, step down subsidiaries and step down associates, incorporated in India and the reports of the statutory auditors of those companies, none of the directors of the Group 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 the maintenance of accounts and other matters connected therewith in respect of audit trail are as stated in paragraph 1(b) above on reporting under section 143(3)(b) of the Act and paragraph 2(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”.
2. With respect to the other matters to be included in the Auditors’ 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 consolidated financial statements disclose impact of pending litigations on the financial position of the Group. – Refer Note no. 46 to the consolidated financial statements;
- ii. the Group does not have any long-term contracts including derivative contracts for which there were any 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 and its subsidiary companies incorporated in India.
- iv. a. The respective managements of the Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us and auditors of such subsidiaries, respectively that, to the best of their knowledge and belief, as disclosed in note no. 51(C) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company or its subsidiary companies, to or in any persons or entities, including foreign entities (“the intermediaries”), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company, or any such subsidiary companies (“the Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The respective managements of the Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us and auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note no. 51(D) to the accompanying consolidated financial statements, no funds have been received by the Company or its subsidiary companies, including foreign entities (“the Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company, or any such subsidiary companies, shall, whether 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; and
- c. Based on such audit procedures performed, as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.





- v. The dividend declared and paid during the year by the Company and its Indian subsidiaries is in compliance with Section 123 of the Act.
- vi. Based on our examination which included test checks, the Group has used accounting software, a 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. 52 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 the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

3. With respect to the matter to be included in the Auditors' Report under section 197(16):

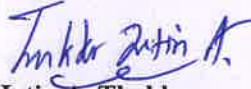
In our opinion and according to the information and explanations given to us and the reports of the statutory auditors of its subsidiaries incorporated in India, the Company and its subsidiaries where applicable has paid and / or provided remuneration to its directors during the year ended 31<sup>st</sup> March, 2024 in accordance with the provisions of Section 197 of the Act.

4. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us and auditors of the respective companies included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For Bathiya & Associates LLP**

Chartered Accountants

Firm Registration No. 101046W / WT09063

  
**Jatin A. Thakkar**

Partner

Membership No.: 134767

UDIN: 24134767BKEATS6475

Place: Mumbai

Date: 25<sup>th</sup> May, 2024



**Annexure - A List of subsidiaries & associate included in the Consolidated Financial Statements**

<b>Sr. No.</b>	<b>Name of the entity</b>	<b>Relationship</b>
1.	Chembond Water Technologies Limited	Subsidiary Company
2.	Chembond Chemical Specialties Limited	Subsidiary Company
3.	Chembond Calvatis Industrial Hygiene Systems Limited	Subsidiary Company
4.	Chembond Material Technologies Private Limited	Subsidiary Company
5.	Chembond Biosciences Limited	Subsidiary Company
6.	Phiroze Sethna Private Limited	Subsidiary Company
7.	Chembond Distribution Limited	Subsidiary Company
8.	Chembond Clean Water Technologies Limited	Step down Subsidiary Company
9.	Gramos Chemicals India Private Limited	Step down Subsidiary Company
10.	Chembond Water Technologies (Malaysia) Sdn. Bhd.	Step down Foreign Subsidiary Company
11.	Chembond Water Technologies (Thailand) Limited	Step down Foreign Subsidiary Company
12.	Rewasoft Solutions Private Limited	Step down Associate Company





## **Annexure - B to the Independent Auditors' Report**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date for the year ended 31<sup>st</sup> March, 2024)

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

In conjunction with our audit of the consolidated financial statements of the Company for the year ended 31<sup>st</sup> March, 2024, we have audited the internal financial controls over financial reporting of Chembond Chemicals Limited ("the Company") and its subsidiaries which are incorporated in India as of 31<sup>st</sup> March, 2024.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the respective internal control over financial reporting criteria established by the Company and its subsidiary companies incorporated in India 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 the respective 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 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 judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

#### **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 consolidated



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 consolidated 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 consolidated 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.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiaries incorporated in India have, 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 31<sup>st</sup> March, 2024, based on the internal control over financial reporting criteria established by the Company and its subsidiaries incorporated in India 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.

### **Other Matter**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the Internal Financial Controls over financial reporting in so far as it relates to three subsidiary companies and one step down subsidiary, which are companies incorporated in India, is based on the corresponding reports of the Auditors of such companies incorporated in India.

Our opinion is not qualified in respect of this matter.

For **Bathiya & Associates LLP**  
Chartered Accountants  
Firm Registration No. 101046W / W100063



**Jatin A. Thakkar**  
Partner

Membership No.: 134767

**Place:** Mumbai

**Date:** 25<sup>th</sup> May, 2024



	Notes	(Rs. In Lakhs except otherwise stated)	
		As at 31/03/2024	As at 31/03/2023
		(Rs. In lakhs)	(Rs. In lakhs)
<b>Assets</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	2	4,686.85	4,126.58
(b) Capital work-in-progress	2	1,330.43	1,237.13
(c) Goodwill	2	7,459.45	7,459.45
(d) Other Intangible Assets	2	77.05	32.58
(e) Financial Assets			
i) Investments	3	4,347.65	3,730.84
ii) Other financial assets	4	569.75	650.64
(f) Deferred tax Assets (net)	5	452.34	361.68
(g) Income tax asset (net)	6	538.27	472.11
(h) Other non-current assets	7	63.45	124.51
<b>Total Non-current assets</b>		<b>19,525.24</b>	<b>18,195.51</b>
<b>Non Current Assets held for sale</b>	2	-	64.57
<b>Current Assets</b>			
(a) Inventories			
(b) Financial Assets	8	3,313.80	3,420.37
i) Investments	9	4,848.92	2,778.88
ii) Trade receivables	10	12,029.12	11,519.26
iii) Cash and cash equivalents	11	1,010.83	922.63
iv) Bank balances other than (iii) above	12	3,012.28	2,132.53
v) Loans	13	11.05	45.64
vi) Other financial assets	14	116.08	318.91
(c) Current Tax (Net)	15	48.99	41.79
(d) Other current assets	16	780.86	753.96
<b>Total current assets</b>		<b>25,171.93</b>	<b>21,933.97</b>
<b>Total Assets</b>	<b>Total</b>	<b>44,697.17</b>	<b>40,194.05</b>
<b>Equity And Liabilities</b>			
<b>Equity</b>			
(a) Share capital	17	672.41	672.41
(b) Other equity	18	35,474.11	31,497.01
(c) Equity attributable to the owners of the company		<b>36,146.53</b>	<b>32,169.42</b>
(d) Non Controlling interest	19	129.90	138.50
<b>Total Equity</b>		<b>36,276.43</b>	<b>32,307.93</b>
<b>Liabilities</b>			
<b>1) Non-Current Liabilities</b>			
(a) Provisions	20	96.54	83.91
(b) Deferred tax liabilities (net)	21	40.31	37.32
(c) Other non-current liabilities	22	96.03	78.93
<b>Total Non-current liabilities</b>		<b>232.88</b>	<b>200.16</b>
<b>2) Current liabilities</b>			
(a) Financial liabilities			
i) Borrowings	23	668.30	652.53
ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	24	482.34	1,032.29
Total outstanding dues of creditors other than micro enterprises and small enterprises	24	4,935.19	4,277.37
iii) Other financial liabilities	25	16.80	32.46
(b) Other current liabilities	26	2,013.15	1,605.58
(c) Provisions	27	72.08	30.40
(d) Current Tax Liabilities (Net)	28	-	55.34
<b>Total current liabilities</b>		<b>8,187.86</b>	<b>7,685.96</b>
<b>Total Equity &amp; Liabilities</b>	<b>Total</b>	<b>44,697.17</b>	<b>40,194.05</b>

Material Accounting Policies, key accounting estimates and judgements and notes on financial statements.

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As per our attached report of even date  
For Bathiya & Associates LLP  
Chartered Accountants  
FRN - 101046W/W100063



*Jatin A. Thakkar*

Jatin A. Thakkar  
Partner  
Membership No. : 134767  
Mumbai, 25th May 2024

On behalf of the Board of Directors

*V. V. Shah*  
Sameer V. Shah  
Chairman  
& Managing Director  
DIN: 00105721

*Rashmi S. Gavli*  
Rashmi S. Gavli  
Chief Financial Officer  
Mumbai, 25th May 2024

*Nirmal V. Shah*  
Nirmal V. Shah  
Vice Chairman  
& Managing Director  
DIN: 00083853

*Sushita Singh*  
Sushita Singh  
Company Secretary

*Mahendra K. Ghelani*  
Mahendra K. Ghelani  
Director  
DIN: 01108297





Consolidated Statement of Profit and Loss for the year ended 31st March 2024

	Notes	(Rs. In Lakhs except otherwise stated)	
		2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
Revenue From Operations	29	46,198.61	44,044.41
Other Income	30	1,726.23	463.61
<b>Total Revenue</b>		<b>47,924.84</b>	<b>44,508.02</b>
<b>Expenses :</b>			
Cost of Materials Consumed	31	20,589.35	19,200.65
Purchases of Stock-in-trade	32	4,043.46	6,387.74
Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	33	(265.81)	(87.30)
Employee Benefits Expense	34	7,677.17	7,011.42
Finance Costs	35	117.66	104.13
Depreciation and Amortisation expense	36	554.54	450.53
Other Expenses	37	9,222.49	8,046.11
<b>Total Expenses</b>		<b>41,938.88</b>	<b>41,113.28</b>
<b>Profit before share of profit/(Loss) of an associate and exceptional items</b>		<b>5,985.96</b>	<b>3,394.74</b>
Share of Profit/(Loss) of Step Down Associate		0.51	(1.11)
<b>Profit before Exceptional items and Tax</b>		<b>5,986.47</b>	<b>3,393.63</b>
<b>Profit before Tax</b>		<b>5,986.47</b>	<b>3,393.63</b>
<b>Tax Expense</b>			
Current Tax		1,761.52	1,021.82
Short/(Excess) provision of tax of earlier years		87.96	(28.46)
Deferred Tax		(295.09)	(115.95)
<b>Total Tax Expense</b>		<b>1,554.38</b>	<b>877.41</b>
<b>Profit for the Year</b>		<b>4,432.09</b>	<b>2,516.21</b>
<b>Other Comprehensive Income</b>			
1. i) Items that will not be reclassified to profit or loss		(36.84)	16.36
ii) Income Tax relating to items that will not be reclassified to profit or loss		8.55	(0.65)
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		-	-
<b>Other Comprehensive Income</b>		<b>(28.30)</b>	<b>15.71</b>
<b>Total Comprehensive Income</b>		<b>4,403.80</b>	<b>2,531.92</b>
<b>Profit attributable to:</b>			
Owners of the Company		4,440.97	2,509.56
Non Controlling Interests		(8.88)	6.65
Other Comprehensive Income attributable to- Owners of the Company		(28.57)	15.53
Non Controlling Interests		0.27	0.18
Total Comprehensive Income attributable to- Owners of the Company		4,412.40	2,525.09
Non Controlling Interests		(8.61)	6.83
Earning Per Equity Share of Face Value of Rs. 5 each			
Basic (in Rs.)	38	33.02	18.66
Diluted (in Rs.)		33.02	18.66
Material Accounting Policies, key accounting estimates and judgements and notes on financial statements.	1-58		

As per our attached report of even date

For Bathiya & Associates LLP  
Chartered Accountants  
FRN - 101046W/W100063

*Jatin A. Thakkar*

Jatin A. Thakkar  
Partner  
Membership No. : 134767  
Mumbai, 25th May 2024



On behalf of the Board of Directors

*V.V. Shah*  
Sameer V. Shah  
Chairman  
& Managing Director  
DIN: 00105721

*Rashmi S. Gavli*  
Rashmi S. Gavli  
Chief Financial Officer  
Mumbai, 25th May 2024

*Nirmal V. Shah*  
Nirmal V. Shah  
Vice Chairman  
& Managing Director  
DIN: 00883853

*Suchita Singh*  
Suchita Singh  
Company Secretary

*Mahendra K. Ghelani*  
Mahendra K. Ghelani  
Director  
DIN: 01108297

**Chembond Chemicals Limited**  
**Consolidated Cash Flow Statement for the year ended 31st March 2024**

(Rs. in lakhs except otherwise stated)

Particulars		2023-24		2022-23	
<b>A</b>	<b>Cash Flow from Operating Activities</b>				
	Profit before tax		5,985.96		3,394.74
	Adjustments for :				
	Depreciation and amortisation	554.54		450.53	
	Loss on Sale of Property, plant & equipments	-		1.44	
	Finance Cost	117.66		104.13	
	Foreign Exchange Fluctuation Loss	50.84	723.05		556.10
	Less :				
	Foreign Exchange Fluctuation Gain	-		20.27	
	Net Gain on sale of Investments	129.97		185.66	
	Fair valuation of Investments (Net)	806.12		48.63	
	Effect of previous year transaction/Preacquisition profits	6.85		(15.80)	
	Interest from fixed deposits and loans at effective interest rate	174.73		121.69	
	Gain from sale of property plant & equipment	524.79		-	
	Dividend Received	7.04		8.39	
			(1,649.49)		(368.82)
	Operating Profit before working capital changes		5,059.52		3,582.01
	Adjustments for :				
	Trade and Other Receivables	(1,037.15)		(4,408.14)	
	Inventories	90.47		(27.51)	
	Trade and Other Payables	638.40		1,678.54	
			(308.28)		(2,757.11)
	Cash generated from operations		4,751.24		824.90
	Income taxes paid (Net of Refund)		(1,986.43)		(729.92)
	<b>Net Cash from Operating Activities (A)</b>		<b>2,764.81</b>		<b>94.98</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>				
	Payment to acquire Property, plant & equipments		(1,212.72)		(1,464.44)
	Proceeds from Sale of Property, plant & equipments		635.79		201.90
	Purchase of Investments		(2,940.25)		(2,593.67)
	Sale of Investments		1,164.14		3,861.74
	Dividend Income		7.04		8.39
	Interest from fixed deposits and loans at effective interest rate		174.73		121.69
	<b>Net Cash used in Investing Activities (B)</b>		<b>(2,171.27)</b>		<b>135.62</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>				
	Proceeds/(Repayment) of Short Term Borrowings		15.77		572.52
	Dividend paid		(403.45)		(682.41)
	Proceeds/(Repayment) of Long Term Borrowings		-		8.32
	Finance Cost		(117.66)		(104.13)
	<b>Net Cash from Financing Activities (C)</b>		<b>(505.34)</b>		<b>(205.71)</b>
	<b>Net (Decrease)/Increase in Cash &amp; Cash Activities (A+B+C)</b>		<b>88.20</b>		<b>24.89</b>
	Cash and Cash Equivalents as on Opening		922.63		897.74
	Cash and Cash Equivalents as on Closing		<b>1,010.83</b>		<b>922.63</b>

**Components of Cash and Bank balance:**

Particulars	For the Year ended 31 March 2024	For the Year ended 31 March 2023
<b>1) Cash &amp; Cash Equivalents:</b>		
Cash on hand	2.58	2.22
Balances with banks:		
-in current accounts	1,008.25	920.41
<b>Total</b>	<b>1010.83</b>	<b>922.63</b>



2) The above cashflow statement has been prepared under the indirect method as set out in the IND-AS 7 on the statement of cashflow as notified under Companies(Indian Accounting Standards) Rules, 2015 as amended.

**Amendment to Ind AS 7-**

Amendment to Ind AS 7 effective from 01 April, 2017 require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance sheet for liabilities arising from financing activities, to meet disclosure requirement. Accordingly, the Company has given the said disclosure as below:

Particulars	Note No.	1 st April 2023	Cashflow	Foreign Exchange Movement	31 st March 2024
<b>Non-current liabilities</b>					
- Borrowings		-	-	-	-
<b>Current Liabilities</b>					
- Borrowings	23	652.53	15.77	-	668.30
- Other financial liabilities					
Unpaid dividends	25	16.64	(0.12)	-	16.51
<b>Total</b>		<b>669.17</b>	<b>15.65</b>	<b>-</b>	<b>684.82</b>

Particulars	Note No.	1 st April 2022	Cashflow	Foreign Exchange Movement	31 st March 2023
<b>Non-current liabilities</b>					
- Borrowings		-	-	-	-
<b>Current Liabilities</b>					
- Borrowings	23	80.02	572.51	-	652.53
- Other financial liabilities					
Unpaid dividends	25	16.57	0.07	-	16.64
<b>Total</b>		<b>96.59</b>	<b>572.58</b>	<b>-</b>	<b>669.17</b>

Material Accounting Policies, key accounting estimates and judgements and notes on financial statements.

1-58

As per our attached report of even date  
For **Bathiya & Associates LLP**  
Chartered Accountants  
FRN - 101046W/W100063

*Jatin A. Thakkar*

**Jatin A. Thakkar**  
Partner  
Membership No. : 134767  
Mumbai, 25th May 2024



**On behalf of the Board of Directors**

*S. V. Shah*  
**Sameer V. Shah**  
Chairman  
& Managing Director  
DIN: 00105721

*Rashmi S. Gavli*  
**Rashmi S. Gavli**  
Chief Financial Officer  
Mumbai, 25th May 2024

*Nirmal V. Shah*  
**Nirmal V. Shah**  
Vice Chairman  
& Managing Director  
DIN: 00083853

*Suchita Singh*  
**Suchita Singh**  
Company Secretary

*Mahendra K. Ghelani*  
**Mahendra K. Ghelani**  
Director  
DIN: 01108297





Chembond Chemicals Ltd.  
Statement of Changes in Equity for the Year Ended 31st March 2024

(a) Equity share capital	No. of Shares	(Rs. In lakhs)
Balance as at 31 March 2022	13,448,288	672.41
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	13,448,288	672.41
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 2024	13,448,288	672.41

(b) Other Equity

Particulars	Reserves and Surplus			Items of other Comprehensive Income		Total other equity	Non-Controlling interests
	Capital Reserve on Consolidation	General Reserve	Share Premium	Retained earnings	Remeasurements of the net defined benefit Plans		
Balance as at 31st March 2022	14.72	1,292.42	613.05	27,755.32	36.48	29,711.99	131.68
Profit for the year	-	-	-	2,509.57	-	2,509.57	6.65
Other comprehensive income for the year	-	-	-	-	15.34	15.34	0.18
Add: CPML Merger effect	-	93.96	-	-	-	93.96	-
Total comprehensive income for the year	-	93.96	-	2,509.57	15.34	2,618.89	6.83
Transfer to General Reserve	-	-	-	(93.96)	-	(93.96)	-
Dividend Paid	-	-	-	(682.41)	-	(682.41)	-
Deduction during the year	-	-	-	(57.48)	-	(57.48)	-
Balance as at 31st March 2023	14.72	1,386.38	613.05	29,431.03	51.82	31,497.01	138.50
Profit for the year	-	-	-	4,440.97	-	4,440.97	(8.88)
Other comprehensive income for the year	-	-	-	-	(28.84)	(28.84)	0.27
Total comprehensive income for the year	-	-	-	4,440.97	(28.84)	4,412.13	(8.61)
Dividend Paid	-	-	-	(403.45)	-	(403.45)	-
Deduction during the year	-	-	-	(31.57)	-	(31.57)	-
Balance as at 31st March 2024	14.72	1,386.38	613.05	33,436.98	22.98	35,474.11	129.90

(Rs. in lakhs except otherwise stated)

As per our attached report of even date  
For Bathiya & Associates LLP  
Chartered Accountants  
FRN - 101046W/W100063



Jatin A. Thakkar  
Partner  
Membership No. : 134767  
Mumbai, 25th May 2024

On behalf of the Board of Directors

V. V. Shah  
Sameer V. Shah  
Chairman  
& Managing Director  
DIN: 00105721

N. V. Shah  
Nirmal V. Shah  
Vice Chairman  
& Managing Director  
DIN: 00083853

M. K. Ghelani  
Mahendra K. Ghelani  
Director  
DIN: 01108297

S. S. Singh  
Suchita Singh  
Company Secretary

R. S. Gavli  
Rashmi S. Gavli  
Chief Financial Officer  
Mumbai, 25th May 2024



Description	GROSS BLOCK (AT COST)				DEPRECIATION INCLUDING AMORTISATION				NET BLOCK	
	As at 1.04.2023	Additions	Disposal, Transfer & Adjustments	As at 31.03.2024	As at 1.04.2023	Additions for the Year	Disposal, Transfer & Adjustments	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
	Property, plant and equipment									
Tangible Asset										
Leasehold Land	98.28	-	0.06	98.22	7.99	1.33	-	9.32	88.89	90.28
Buildings*	148.09	-	-	148.09	-	-	-	-	148.09	148.09
Equipment & Machinery	2,660.79	498.90	-	3,159.69	574.49	98.44	-	672.93	2,486.76	2,086.30
Computers Hardware	2,575.90	414.55	15.76	2,974.69	1,045.62	357.79	7.29	1,396.12	1,578.57	1,530.28
Furniture & Fixtures	159.26	23.43	3.47	179.22	112.36	27.23	3.18	136.41	42.81	46.90
Motor Cars	230.95	18.43	-	249.38	139.72	18.31	-	158.03	91.35	91.24
Electrical Installations & Equipment	116.68	-	-	116.68	93.15	8.34	-	101.49	15.19	23.53
Sub- total	239.87	158.47	0.10	398.24	129.91	33.20	0.06	163.05	235.19	109.96
	6,229.82	1,113.78	19.39	7,324.21	2,103.24	544.64	10.53	2,637.35	4,686.85	4,126.58
Intangible Assets										
Goodwill	7,459.45	-	-	7,459.45	-	-	-	-	7,459.45	7,459.45
Technical Know How	52.71	-	-	52.71	51.78	0.18	-	51.96	0.75	0.93
Computer Software	114.63	54.37	-	169.00	82.98	9.72	-	92.70	76.30	31.65
Sub- total	7,626.79	54.37	-	7,681.16	134.76	9.90	-	144.66	7,536.50	7,492.03
Total	13,856.61	1,168.15	19.39	15,005.37	2,238.00	554.54	10.53	2,782.01	12,223.36	11,618.62
Previous Year	14,232.97	327.80	704.16	15,856.62	2,193.45	439.61	395.06	2,238.00	11,618.61	12,039.52
Capital Work in Progress									1,330.43	1,237.13
Non Current asset held for sale- Building*									-	64.57

Description	GROSS BLOCK (AT COST)				DEPRECIATION INCLUDING AMORTISATION				NET BLOCK	
	As at 1.04.2022	Additions	Disposal, Transfer & Adjustments	As at 31.03.2023	As at 1.04.2022	Additions for the Year	Disposal, Transfer & Adjustments	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
	Property, plant and equipment									
Tangible Asset										
Leasehold Land	98.28	-	-	98.28	6.61	1.38	-	7.99	90.28	91.66
Buildings*	148.09	-	-	148.09	-	-	-	-	148.09	148.09
Equipment & Machinery	2,767.80	15.92	122.93	2,660.79	504.37	87.65	17.53	574.49	2,086.30	2,263.43
Computers Hardware	2,824.41	290.65	539.16	2,575.90	1,132.29	268.13	354.80	1,045.62	1,530.28	1,692.12
Furniture & Fixtures	161.10	15.92	17.75	159.26	108.44	17.82	13.89	112.36	46.90	52.66
Motor Cars	235.08	3.55	7.68	230.95	127.50	16.31	4.10	139.72	91.24	107.58
Electrical Installations & Equipment	116.68	-	-	116.68	79.89	13.26	-	93.15	36.79	23.53
Sub- total	254.72	1.77	16.62	239.87	115.78	18.87	4.73	129.91	109.96	138.94
	6,606.15	327.80	704.13	6,229.82	2,074.88	423.42	395.06	2,103.24	4,126.58	4,531.27
Intangible Assets										
Goodwill	7,459.45	-	-	7,459.45	-	-	-	-	7,459.45	7,459.45
Technical Know How	52.71	-	-	52.71	44.18	7.60	-	51.78	0.93	8.53
Computer Software	114.66	0.03	-	114.63	74.39	8.59	-	82.98	31.65	40.27
Sub- total	7,626.82	0.03	-	7,626.79	118.57	16.19	-	134.76	7,492.03	7,508.25
Total	14,232.97	327.80	704.16	13,856.62	2,193.45	439.61	395.06	2,238.00	11,618.61	12,039.52
Previous Year	13,934.40	376.45	47.88	14,262.97	1,779.01	451.01	36.57	2,193.46	12,069.52	12,155.39
Capital Work in Progress									1,237.13	70.22
Non Current asset held for sale- Building*									64.57	-

Note: Previous year figures have been regrouped and reclassified wherever necessary.



		As at 31/03/2024	As at 31/03/2023
		(Rs. In lakhs)	(Rs. In lakhs)
<b>3</b>	<b>Financial Assets (Non-Current)</b>		
	<b>Investments</b>		
	<b>Investments in Equity shares carried at fair value through Profit and Loss (Unquoted)</b>		
	2,848 (2,848) Equity Shares of Tarapur Environment Protection Organisation Ltd. of Rs. 100/- each fully paid up.	3.79	3.88
	<b>Investment in Secured Bonds carried at amortised cost</b>		
	500 (PY- Nil) Secured Non-Convertible Redeemable REC Capital Gains Tax Exemption Bonds.	50.00	-
	<b>Investments in Equity Shares carried at fair value through Profit and Loss (Quoted)</b>		
	15,000 (15,000) Equity Shares of Hindustan Petroleum Corporation Ltd. of Rs. 10/- each fully paid up.	71.35	35.52
	9,114 (5,425 ) Equity Shares of HDFC Limited of Rs.2/- each fully paid up	131.96	142.53
	3,700 (2,850 ) Equity Shares Tata Consultancy Services Limited of Re.1/- each fully paid up	143.42	91.37
	<b>Investments in Mutual fund carried at fair value through Profit and Loss (Quoted)</b>		
	1,00,991.79 (PY-1,00,991.79) Units of SBI Magnum Gilt Fund-Long Term Regular plan Growth	60.37	55.68
	38,58,187.14 (PY- 37,44,442.78) Units of ICICI Prudential Short Term Gilt Fund-Growth	3,578.41	3,195.56
	21,859.47 (PY- 45,149.59) Units of ICICI Prudential Saving fund	107.82	206.29
	3919.59 (PY- Nil) units - HDFC Flexi Cap Fund	62.94	-
	11405.77 (PY- Nil) units - SBI Large & Midcap F	58.60	-
	89,600.40 (PY- Nil) UNITS KOTAK GILT INVESTMENT (G)	78.99	-
	<b>Total</b>	<b>4,347.65</b>	<b>3,730.84</b>
	Aggregate amount of Quoted Investments and market value there of	4,293.86	3,726.95
	Aggregate amount of Unquoted Investments	53.79	3.88
	Aggregate amount of Impairment in value of investment	-	-
<b>4</b>	<b>Other Non- Current Financial Assets</b> (Unsecured & considered good)		
	Bank Deposits with more than 12 months maturity	503.41	588.96
	Other Deposits	66.34	61.67
	<b>Total</b>	<b>569.75</b>	<b>650.64</b>
<b>5</b>	<b>Deferred Tax Asset (Net)</b>		
	Deferred tax Asset		
	Gratuity	23.33	(0.28)
	MAT Credit	649.00	301.96
	Other deductible temporary differences	43.67	23.42
	Provision for Expected credit loss	377.22	136.46
	<b>A</b>	<b>1,093.22</b>	<b>461.55</b>
	Deferred tax Liability		
	Written down value of Property Plant & Equipment	425.79	77.23
	Investments at Fair Value	215.10	22.64
	<b>B</b>	<b>640.89</b>	<b>99.87</b>
	Net Deferred Tax Asset	<b>452.34</b>	<b>361.68</b>
<b>6</b>	<b>Income tax asset (net)</b>		
	Advance Income Tax (Net of Provision)	538.27	472.11
	<b>Total</b>	<b>538.27</b>	<b>472.11</b>
<b>7</b>	<b>Other non-current assets</b>		
	Capital Advances	-	54.13
	Other Advances	0.68	5.70
	Prepaid expenses	0.33	1.23
	Gratuity	62.44	63.45
	<b>Total</b>	<b>63.45</b>	<b>124.51</b>





8 Inventories (At lower of Cost or Net Realisable Value)		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
Raw Materials		1,543.37	1,808.16
Packing Materials		147.96	123.00
Finished Goods*		1,214.83	868.43
Stock-in-Trade**		384.20	651.54
Work in Progress		70.29	-
		<b>3,360.65</b>	<b>3,451.13</b>
Less: Stock Reserve		46.85	30.76
	<b>Total</b>	<b>3,313.80</b>	<b>3,420.37</b>
*Finished goods includes Stock in transit amounting to Rs.185.50 lakhs as at 31st March 2024(Rs. 118.01 as at 31st March 2023)			
**Stock In Trade include Stock in Trade in transit amount to Rs.10.81 lakhs as at 31st March 2024(Rs. 8.20 Lakhs as at 31st March 2023)			
9 Investments (Current)		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
<b>Investments in Mutual Funds carried at fair value through Profit and Loss</b>			
Nil (PY- 49.542) Units of Reliance Liquid Fund -Treasury Plan - Daily Dividend		-	0.84
97,328.75 (PY-1511.516) units of ICICI Prud Liquid Fund		344.91	5.00
4,76,937.50 (PY-2,34,787.36) Units of ICICI Prudential Gilt Fund -(G)		442.48	200.37
14,63,712.750 (PY- NIL) Unit of Kotak Balanced AF Regular Growth		261.71	0.00
10,53,730.58 (PY- 14,06,855.59) Units of AXIS – BLUECHIP FUND (G)		576.50	583.14
21,739.866 (PY- 21,739.866) Units Kotak Standard Multicap Fund-Growth		15.53	11.53
3,50,183.50 (PY- 3,50,183.50) Units of Mirae Asset Equity Fund Fund-Regular (G)		335.21	268.42
18,393.226 (PY- 18,393.226) Units SBI Blue Chip Fund-Regular (G)		14.71	11.36
NIL (PY- 1,05,746.49) ICICI Prudential Savings Fund – (G)		-	483.80
9,671.27 (PY- 4,389.52) Units of Kotak Liquid Scheme Regular Plan (G)		468.08	198.29
8,77,805.57 (PY- 8,77,805.57) UNITS KOTAK GILT INVESTEMENT (G)		773.81	716.88
49,838.00 (PY- 49,819.151) ICICI PRUDENTIAL EQUITY AND DEBT FUND (G)		166.89	117.62
180,922.74 (PY- NIL) HDFC SHORT TERM DEBT FUND - REG (G)		52.20	-
1,73,454.71 (PY- NIL) Inv - HDFC Balance advantage fund		783.14	-
5,90,242.2750 (PY- Nil) ICICI Prudential Balanced Advantage Fund		380.41	-
14,478.91 (PY- Nil) ICICI Money Market		50.03	-
13,25,450 (PY- 6,77,992.742) HDFC SHORT TERM DEBT FUND - REG (G)		183.31	181.63
	<b>Total</b>	<b>4,848.92</b>	<b>2,778.88</b>
Aggregate amount of Quoted Investments and Market Value thereof		4,848.92	2,778.88
10 Trade Receivables		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
<b>(a) Trade receivables considered good - Secured</b>			
<b>(b) Trade receivables considered good - UnSecured</b>			
(i) Considered Good		12,029.12	11,519.26
(ii) Credit Impaired		1,464.99	652.38
	<b>Total</b>	<b>13,494.10</b>	<b>12,171.64</b>
<b>(c) Trade Receivables which have significant increase in Credit Risk</b>			
Less - Impairment Loss allowance (Refer note 10 III)		(1,464.99)	(652.38)
	<b>Total</b>	<b>12,029.12</b>	<b>11,519.26</b>
I For Related party transactions Refer Note No.43			
II For Trade Receivables Ageing Schedule Refer Note No 48			
III <b>Movement in Credit Impaired</b>			
<b>Provision at the beginning of the year</b>		652.38	485.79
Add: Provision during the year		818.29	215.73
Less: Reversal during the year		(5.68)	(49.13)
<b>Provision at the year end</b>		<b>1,464.99</b>	<b>652.38</b>



<b>11</b>	<b>Cash and Cash equivalents</b>	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
	<b>Balances with banks</b>		
	In Current Accounts	1,008.25	920.41
	Cash on hand	2.58	2.22
	<b>Total</b>	<b>1,010.83</b>	<b>922.63</b>
<b>12</b>	<b>Bank balances other than cash and cash equivalents</b>	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
	Margin money (Including bank deposits with more than 3 months maturity)	2,995.77	2,123.05
	In Unpaid Dividend Accounts	16.51	9.48
	<b>Total</b>	<b>3,012.28</b>	<b>2,132.53</b>
<b>13</b>	<b>Loans</b> (Unsecured & considered good)	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
	Loan and advance to Employees	11.05	13.22
	Other Loans and Advances	-	32.42
	<b>Total</b>	<b>11.05</b>	<b>45.64</b>
<b>14</b>	<b>Other Current Financial Assets</b> (Unsecured & considered good)	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
	Advance given for purchase of mutual fund units	-	220.00
	Security Deposits	116.08	96.09
	Deposit - Excise	-	2.82
	<b>Total</b>	<b>116.08</b>	<b>318.91</b>
<b>15</b>	<b>Current Tax (Net)</b>	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
	Advance tax (Net of Provision)	48.99	41.79
	<b>Total</b>	<b>48.99</b>	<b>41.79</b>
<b>16</b>	<b>Other Current Assets</b>	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
	Accrued Interest	35.19	0.27
	Prepaid expenses	75.36	85.22
	Advances for supply of goods and services	185.26	207.98
	Balances with government authorities	272.64	267.83
	Gratuity	10.63	11.29
	Other Current Assets	23.46	21.02
	Advance to employees	7.81	-
	Insurance Claim Receivable (Refer Note.56)	170.51	160.35
	<b>Total</b>	<b>780.86</b>	<b>753.96</b>
<b>17</b>	<b>Share Capital</b>	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
	<b>Authorised</b> 2,00,00,000 (P.Y 2,00,00,000) Equity Shares of Rs.5/- each	1,000.00	1,000.00
	<b>Issued, Subscribed and Paid up</b> 134,48,288 (P.Y 134,48,288) Equity Shares of Rs.5/- each fully paid up	672.41	672.41
	<b>Total</b>	<b>672.41</b>	<b>672.41</b>
<b>a</b>	<b>Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year:</b>		
	Number of shares outstanding at the beginning of the year	13,448,288	13,448,288
	Additions during the year	-	-
	Deductions during the year	-	-
	Number of shares outstanding at the end of the year	<b>13,448,288</b>	<b>13,448,288</b>
<b>b</b>	<b>Details of Shareholders holding more than 5% Shares</b>		

Name of the Shareholder	% Held	As at 31/3/2024	% Held	As at 31/3/2023
		No of Shares		No of Shares
Nirmal Vinod Shah	13.35%	1,795,090	13.35%	1,794,890
Sameer Vinod Shah	12.54%	1,686,844	12.54%	1,686,744
Padma Vinod Shah	12.57%	1,691,100	12.57%	1,691,000
Visan Holdings Pvt. Ltd.	9.75%	1,310,630	9.75%	1,310,630



c- Disclosure of shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2024 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	Nirmal Vinod Shah	1,795,090	13.35%	0.00%
2	Sameer Vinod Shah	1,686,844	12.54%	0.00%
3	Ashwin Ratilal Nagarwadia	500,000	3.72%	-
4	Shah Bhadres	188,934	1.40%	-
	<b>Total</b>	<b>4,170,868</b>		

Disclosure of shareholding of promoters as at March 31, 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	Nirmal Vinod Shah	1,794,890	13.35%	0.31%
2	Sameer Vinod Shah	1,686,744	12.54%	0.30%
3	Ashwin Ratilal Nagarwadia	500,000	3.72%	-
4	Shah Bhadres	188,934	1.40%	-
	<b>Total</b>	<b>4,170,568</b>	<b>31.01%</b>	

d Terms and rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

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.

18 Other Equity

	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
<b>Capital Reserve on Consolidation</b>		
As per last year	14.72	14.72
Add : CPML Merger Effect	-	30.00
Less : Adjustment against Goodwill		(30.00)
	<b>14.72</b>	<b>14.72</b>
<b>General Reserve</b>		
As per last year	1,386.38	1,292.42
Add : CPML Merger Effect	-	93.96
	<b>1,386.38</b>	<b>1,386.38</b>
<b>Securities Premium</b>		
As per last year	613.05	613.05
Addition during the year	-	-
	<b>613.05</b>	<b>613.05</b>
<b>Retained Earnings</b>		
As per last year	29,431.04	27,755.32
Add: Profit for the Year	4,440.97	2,509.57
Addition / (Deduction) during the year	(31.57)	(57.48)
	<b>33,840.44</b>	<b>30,207.41</b>
Less: Appropriations		
Transferred to General Reserve	-	(93.96)
Other Comprehensive Income/(Loss) for the year	-	(44.32)
Dividend Paid	(403.45)	(682.41)
	<b>33,436.98</b>	<b>29,431.04</b>
<b>Other Comprehensive Income (OCI)</b>		
Remeasurements of the net defined benefit Plans		
As per last year	51.82	36.48
Addition / (Deduction) during the year	(28.57)	15.52
Less: Non Controlling Interest	(0.27)	(0.18)
	<b>22.98</b>	<b>51.82</b>
<b>Total</b>	<b>35,474.11</b>	<b>31,497.01</b>

Nature and purpose :

**Capital Reserve:**

The Group recognises the difference on purchase, sale, issue or cancellation of group Company's own equity instruments to Capital Reserve. Capital Reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**General Reserve:**

General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit and loss.

**Securities Premium :**

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

**Retained Earnings:**

Retained Earnings are the profits of the Group earned till date net of appropriations.



	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
<b>19 Non Controlling Interest</b>		
<b>Share Capital</b>		
Opening Balance	22.50	22.50
Addition during the year	-	-
Deduction during the year	-	-
Closing Balance	<b>22.50</b>	<b>22.50</b>
<b>Securities Premium</b>		
As per last year	4.05	4.05
Add:Received during the year	-	-
	<b>4.05</b>	<b>4.05</b>
<b>Retained Earnings</b>		
Opening Balance	111.96	105.13
Addition/ (Deduction) during the year	(8.88)	6.65
Add:Non Controlling Interest (OCI)	0.27	0.18
Closing Balance	<b>103.35</b>	<b>111.96</b>
<b>Total</b>	<b>129.90</b>	<b>138.50</b>
<b>20 Provisions- Non Current</b>		
<b>Provision for employee benefits :</b>		
Provision for Gratuity	96.54	83.91
<b>Total</b>	<b>96.54</b>	<b>83.91</b>
<b>21 Deferred Tax Liability (Net)</b>		
<b>Deferred tax Liability</b>		
Written Down Value of Property Plant & Equipment	36.49	412.85
Investments at Fair Value	27.55	103.31
	<b>64.04</b>	<b>516.16</b>
<b>Deferred tax Asset</b>		
Gratuity	-	9.88
MAT Credit	2.88	437.51
Other Deductible Temporary Differences	10.02	0.58
Provision for Expected Credit Loss	10.82	30.88
	<b>23.73</b>	<b>478.84</b>
Net Deferred Tax Liability	<b>40.31</b>	<b>37.32</b>
<b>22 Other Non- Current Liabilities</b>		
Dealer Deposits	96.03	78.93
	<b>96.03</b>	<b>78.93</b>
<b>23 Current Borrowings (Repayable on demand)</b>		
<b>Secured</b>		
Working Capital Loan from Banks	668.30	652.53
<b>Total</b>	<b>668.30</b>	<b>652.53</b>
a Working Capital loan is secured by charge on Inventories, Trade Receivables & Bank Deposits.		
<b>24 Trade Payables</b>		
Total Outstanding Dues of Micro and Small Enterprises	482.34	1,032.29
Total Outstanding Dues of Creditors other than Micro and Small Enterprises	4,935.19	4,277.37
<b>Total</b>	<b>5,417.54</b>	<b>5,309.66</b>

a For Related party transaction Refer Note No.43

b For Trade Payable Ageing Schedule Refer Note No 49

c The Group has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at the year end. 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	482.34	1,032.29
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount	1.81	1.37
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	834.18
Interest paid/adjusted to suppliers under MSMED Act, 2006 (other than section 16)	-	2.24
Interest paid/adjusted to suppliers under MSMED Act, 2006 (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, 2006 for payments already made	1.81	1.37
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	1.81	1.37

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





<b>25</b>	<b>Other Current Financial Liabilities</b>		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
	Creditors for Capital Expenditure		0.28	15.82
	Unclaimed Dividend *		16.51	16.64
		<b>Total</b>	<b>16.80</b>	<b>32.46</b>
	* Not due for Deposit to Investor Education and Protection Fund			
<b>26</b>	<b>Other Current Liabilities</b>		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
	Statutory Dues		180.31	380.99
	Employee benefits		1,315.74	910.59
	Others (Including advance received from customers & Insurance claim)		517.10	314.00
		<b>Total</b>	<b>2,013.15</b>	<b>1,605.58</b>
<b>27</b>	<b>Short-term Provisions</b>		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
	<b>Provision for employee benefits:</b>			
	Provision for Gratuity		72.08	30.40
		<b>Total</b>	<b>72.08</b>	<b>30.40</b>
<b>28</b>	<b>Current Tax Liabilities (Net)</b>		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
	<b>Provision for tax</b>			
	Provision for Current Tax (Net of Advance Tax)		-	55.34
		<b>Total</b>	<b>-</b>	<b>55.34</b>
<b>29</b>	<b>Revenue from Operations</b>		2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
	Sale of Goods		42,327.41	40,912.54
	Sale of Services		3,704.71	3,000.15
	Other Operating revenue		166.49	131.72
		<b>Total</b>	<b>46,198.61</b>	<b>44,044.41</b>
<b>30</b>	<b>Other Income</b>		2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
	Dividend from Equity Investments		6.99	8.39
	Dividend from Mutual Funds		0.05	-
	Net gain on sale of investments		7.04	8.39
	Interest at Effective Interest Rate		129.97	185.66
	Rent (Gross)		174.73	121.69
	Bad Debts Recovered		5.68	8.41
	Profit on Sale of Property Plant & Equipment		13.12	9.54
	Foreign Exchange Fluctuation Gain		524.79	0.70
	Discount Received		4.25	20.27
	Miscellaneous Income		0.05	0.55
	Gain on fair valuation of investments		20.10	59.77
	Credit Balances Written Back		806.12	48.63
		<b>Total</b>	<b>1,726.23</b>	<b>463.61</b>
<b>31</b>	<b>Cost of materials consumed</b>		2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
	Raw Materials Consumed		18,802.58	17,504.46
	Packing Materials Consumed		1,786.77	1,696.18
		<b>Total</b>	<b>20,589.35</b>	<b>19,200.65</b>
<b>32</b>	<b>Purchases of stock-in-trade</b>		2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
	Purchases of Stock-in-trade		4,043.46	6,387.74
		<b>Total</b>	<b>4,043.46</b>	<b>6,387.74</b>
<b>33</b>	<b>Changes in inventory of Finished goods, Work in progress and Stock in Trade</b>		2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
	(a) Finished goods/ Stock in Trade/ Work In Progress (At Close)			
	Finished goods		1,611.13	1,345.32
	Work In Progress		1,168.83	765.56
	Stock in Trade		49.82	45.30
			392.48	534.46
	(b) Finished goods/ Stock in Trade/ Work In Progress (At commencement)			
	Finished goods		1,345.32	1,258.02
	Work In Progress		765.56	885.50
	Stock In Trade		45.30	38.73
			534.46	333.78
		<b>Total (b-a)</b>	<b>(265.81)</b>	<b>(87.30)</b>



		2023-2024	2022-2023
		(Rs. In lakhs)	(Rs. In lakhs)
<b>34</b>	<b>Employee benefits expense</b>		
	Directors' Remuneration	383.46	277.78
	Salaries & Wages	6,596.69	6,043.40
	Contribution to Provident & other funds	491.41	470.41
	Staff Welfare Expenses	205.62	219.82
	<b>Total</b>	<b>7,677.17</b>	<b>7,011.42</b>
a	For Related party transaction Refer Note No.43		
<b>35</b>	<b>Finance Costs</b>		
	(a) Interest Expense at Effective Interest rate		
	- Banks	18.73	28.40
	- MSMED	1.81	1.37
	- Others	42.06	22.97
	(b) Other borrowing costs		
	Bank Guarantee fees & charges	55.06	51.38
	<b>Total</b>	<b>117.66</b>	<b>104.13</b>
<b>36</b>	<b>Depreciation and Amortisation expenses</b>		
	Depreciation and Amortisation Expenses	554.54	450.53
	<b>Total</b>	<b>554.54</b>	<b>450.53</b>
<b>37</b>	<b>Other Expenses</b>		
	<b>Manufacturing Expenses</b>		
	Freight Inwards	18.65	31.91
	Consumable stores	350.89	532.96
	Power, Fuel & Water Charges	102.13	128.48
	Research and Development	83.49	84.68
	Laboratory Expenses	16.88	15.48
	Repairs and Renewals to Plant & Machinery	80.88	58.64
	Godown Rent	38.25	48.14
	Labour Charges	1,521.55	1,188.90
	Security Expenses	109.38	96.07
	Factory Maintenance	76.18	52.26
	Technical Service Charges	87.17	90.69
	Rent - Manufacturing	39.12	36.67
	<b>A</b>	<b>2,524.57</b>	<b>2,364.86</b>
	<b>Administrative Expenses</b>		
	Directors' Sitting Fees	25.98	16.60
	Rates & Taxes	66.52	56.91
	Electricity charges	123.75	68.43
	Printing and stationary	25.51	27.05
	Telephone & Postage Expenses	66.52	54.14
	Insurance	108.00	79.25
	Motor car expenses	105.31	78.85
	Auditors Remuneration (Refer note a)	50.55	43.05
	Legal, Professional & consultancy fees	746.43	612.20
	Repairs & Maintenance Buildings	15.03	1.74
	Repairs & Maintenance Others	301.54	232.67
	Miscellaneous expenses	133.94	157.15
	Donation	0.50	0.34
	Corporate Social responsibility Expenditure	57.88	37.35
	Sales Tax & Other Taxes	-	1.76
	Loss on Sale of Property Plant & Equipment	-	1.43
	Loss on Fair Value of Investments	-	21.58
	Provision for Expected credit loss on trade receivables	818.29	215.73
	Input GST Reversed	35.14	37.33
	Foreign Exchange Fluctuation Loss	55.09	127.37
	Debit Balance Written Off	-	0.11
	Bad Debts Written Off	70.62	5.66
	Loss by Fire	-	65.98
	Computer Expense	60.98	50.79
	<b>B</b>	<b>2,867.58</b>	<b>1,993.47</b>
	<b>Selling and Distribution Expenses</b>		
	Carriage outwards	1,504.71	1,453.99
	Rent	29.65	41.27
	Commission on sales	470.47	529.42
	Travelling Expenses	1,173.41	800.53
	Conveyance expenses	188.82	179.83
	Royalty Expenses	41.51	45.25
	Advertising & Publicity Expenses	7.92	18.40
	Warehousing Charges	24.35	24.30
	Packing Expenses	12.87	12.62
	Sales Promotion Expenses	237.3	476.37
	Business Support Services	139.30	105.77
	<b>C</b>	<b>3,830.34</b>	<b>3,687.76</b>
	<b>Total (A+B+C)</b>	<b>9,222.49</b>	<b>8,046.11</b>



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

	2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
Statutory Audit Fees	44.40	35.93
Tax Audit Fees	3.06	3.23
Taxation and Other Matters	3.09	3.90
<b>Total</b>	<b>50.55</b>	<b>43.05</b>

b **Lease**

The Company normally acquires offices, warehouses and vehicles under non-cancellable operational leases. Minimum lease payments outstanding at year end in respect of these assets are as under:

Group as a Lessee	Total Minimum Lease Payment Outstanding as on 31/03/2024	Total Minimum Lease Payment Outstanding as on 31/03/2023
Due within one year	44.94	102.08
Due later than one year and not later than five years	33.32	-
Due later than five years	-	-
Lease payments recognised in the Statement of Profit & Loss	130.22	162.92

38 **EARNINGS PER SHARE**

	2023-2024	2022-2023
Net Profit available to Equity Shareholders (Rs. In Lakhs)	4,440.97	2,509.56
Total number of Equity Shares (Face value of Rs. 5/- each fully paid up)	13,448,288	13,448,288
Weighted No. of Equity Shares	13,448,288	13,448,288
Basic Earnings per Share (in Rupees)	33.02	18.66
Diluted No. of Equity Shares	13,448,288	13,448,288
Diluted Earnings per Share (in Rupees)	33.02	18.66

39 **Segment Reporting**

The Group is engaged in the manufacture, trading and providing services of Specialty Chemicals, which in the context of IND AS 108- Operating segment specified under section 133 of the Companies Act, 2013 is considered as a single business segment of the Group.

Operating segment are reported in a manner consistent with internal report provided to chief operating decision maker.

The Board of Directors of the company has been identified as chief operating decision maker which reviews and assesses the financial performance and makes the strategic decision.

The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.



40 Financial instruments – Fair values and risk management  
A. Accounting classification and fair values

(Rs. in lakhs except otherwise stated)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	As at 31 March 2024							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Cash and cash equivalents (Including other bank balances)	-	-	4,023.11	4,023.11	-	-	-	-
Investments								
- Mutual Funds	8,796.04	-	-	8,796.04	8,796.04	-	-	8,796.04
- Equity Shares (Quoted)	346.73	-	-	346.73	346.73	-	-	346.73
- Equity Shares (Unquoted)	3.79	-	-	-	-	-	3.79	3.79
- Preference shares and bonds	-	-	50.00	50.00	-	-	-	-
Trade and other receivables	-	-	12,029.12	12,029.12	-	-	-	-
Loans	-	-	11.05	11.05	-	-	-	-
Other financial assets	-	-	685.83	685.83	-	-	-	-
<b>TOTAL</b>	<b>9,146.57</b>	<b>-</b>	<b>16,799.11</b>	<b>25,941.88</b>	<b>9,142.78</b>	<b>-</b>	<b>3.79</b>	<b>9,146.57</b>
<b>Financial liabilities</b>								
Long term borrowings (Including current maturity of Long term borrowings)	-	-	-	-	-	-	-	-
Short term borrowings	-	-	668.30	668.30	-	-	-	-
Trade and other payables	-	-	5,967.48	5,967.48	-	-	-	-
Other financial liabilities	-	-	16.80	16.80	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>6,652.58</b>	<b>6,652.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	As at 31 March 2023							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Cash and cash equivalents (Including other bank balances)	-	-	3,055.16	3,055.16	-	-	-	-
Investments								
- Mutual Funds	6,236.42	-	-	6,236.42	6,236.42	-	-	6,236.42
- Equity Shares (Quoted)	269.42	-	-	269.42	269.42	-	-	269.42
- Equity Shares (Unquoted)	3.88	-	-	3.88	-	-	3.88	3.88
Trade and other receivables	-	-	11,519.26	11,519.26	-	-	-	-
Loans	-	-	45.64	45.64	-	-	-	-
Other financial assets	-	-	969.55	969.55	-	-	-	-
<b>TOTAL</b>	<b>6,509.72</b>	<b>-</b>	<b>15,589.61</b>	<b>22,099.33</b>	<b>6,505.84</b>	<b>-</b>	<b>3.88</b>	<b>6,505.84</b>
<b>Financial liabilities</b>								
Long term borrowings (Including current maturity of Long term borrowings)	-	-	-	-	-	-	-	-
Short term borrowings	-	-	652.53	652.53	-	-	-	-
Trade and other payables	-	-	5,309.66	5,309.66	-	-	-	-
Other financial liabilities	-	-	32.46	32.46	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>5,994.65</b>	<b>5,994.65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Fair values for financial instruments carried at amortised cost approximates the carrying amount, accordingly the fair values of such financial assets and financial liabilities have not been disclosed separately.

B. Measurement of fair values

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3, e.g. unlisted equity securities.

Transfers between Levels

There are no transfers between the levels





### C. 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 Risk Management 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 set forth 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 based on expected credit loss model 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.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility. Accordingly, liquidity risk is perceived to be low.

The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

Sr No	As at 31st March, 2024	Notes	Carrying Values	Less than 12 Months	More than 12 Months
1	Borrowings	23	668.30	668.30	-
2	Trade payables	24	5,417.54	5,417.54	-
3	Other Financials Liability	25	16.80	16.80	-
4	Other Current Liabilities	26	2,013.15	2,013.15	-
	<b>TOTAL</b>		<b>8,115.79</b>	<b>8,115.79</b>	<b>-</b>

Sr No	As at 31st March, 2023	Notes	Carrying Values	Less than 12 Months	More than 12 Months
1	Borrowings	23	652.53	652.53	-
2	Trade payables	24	5,309.66	5,309.66	-
3	Other Financials Liability	25	32.46	32.46	-
4	Other Current Liabilities	26	1,605.58	1,605.58	-
	<b>TOTAL</b>		<b>7,600.24</b>	<b>7,600.24</b>	<b>-</b>

#### 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 Company 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). The currencies in which these transactions are primarily denominated are EURO and USD.

#### Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

- a The Company has entered into forward contracts to hedge the foreign currency risks arising from amounts designated in foreign currency. The counter party to such forward contract is a bank. Forward contracts outstanding at the year end are:

Currency	Exposure to buy/sell	(In lakhs)			
		As at 31/03/2024		As at 31/03/2023	
		Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
USD	Liability	-	-	-	-



b Foreign Currency Exposures at the year end not hedged by derivative instruments:

Currency	Exposure to Buy/Sell	(In lakhs)			
		As at 31/03/2024		As at 31/03/2023	
		Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
US Dollars	Liability	1.23	102.97	0.19	15.50
Euro	Liability	0.00	0.00	0.00	0.36
US Dollars	Asset	0.71	59.24	0.15	12.39
Swiss Franc (CHF)	Asset	0.00	0.00	0.03	3.06

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 various tenors depending on the liquidity needs of the Company. The Company's exposures to interest rate risk is not significant.

41 Employee Benefit obligations

(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 Actuarial Valuation are as follows:

	(Rs. In Lakhs)	
	As at 31 March 2024	As at 31 March 2023
<b>(i) Change in Defined Benefit Obligation</b>	<b>Funded Plan</b>	
Opening defined benefit obligation	857.89	781.94
Amount recognised in profit and loss		
Current service cost	99.25	103.60
Interest cost	64.13	53.52
Amount recognised in other comprehensive income		
Actuarial loss / (gain) arising from:		
Return on Plan Assets		-
Financial assumptions	31.13	(5.79)
Experience adjustment	(0.38)	(16.19)
Other	-	(0.69)
Benefits paid	(99.50)	(58.52)
Closing defined benefit obligation	952.52	857.89
<b>(ii) Change in Fair Value of Assets</b>		
Opening fair value of plan assets	818.31	714.56
Amount recognised in profit and loss		
Interest income	61.17	48.92
Amount recognised in other comprehensive income		
Actuarial gain / (loss)		
Return on Plan Assets, Excluding Interest Income	(6.37)	(5.32)
Amount not recognised due to Asset limit (P.Y)		-
Other		-
Contributions by employer	94.15	119.36
Benefits paid	(99.50)	(59.20)
Closing fair value of plan assets	867.76	818.31
Actual return on Plan Assets	54.80	43.59
<b>(iii) Plan assets comprise the following</b>		
Insurance fund (100%)	Unquoted	Unquoted
(The Group has this investments in Group Gratuity policy with LIC. The details of further investment by LIC is not available with the group)	867.76	818.31
<b>(iv) Principal actuarial assumptions used</b>	%	%
Discount rate	7.25	7.50
Withdrawal Rate	1.00	1.00
Future Salary Increase	5.00	5.00
<b>(v) Amount recognised in the Balance Sheet</b>	As at 31st March, 2024	As at 31st March, 2023
Present value of obligations as at year end	952.52	858.79
Fair value of plan assets as at year end	867.76	818.31
Net (asset) / liability recognised as at year end	84.76	40.48
Recognised under :		
Short term provisions	22.54	30.52
Long term provisions	100.06	83.91
Other Non Current Assets	(52.88)	(63.45)
Other Current Assets	(14.31)	(11.41)
	55.40	39.57



(vi) 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	-5.80%	6.70%	-5.90%	6.80%
Future salary growth (1% movement) - Gratuity	6.80%	6.00%	6.80%	-6.00%

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 :	(Rs. In Lakhs)	
	For year ended 31.3.2024	For year ended 31.3.2023
Expected benefits for year 1	118.00	129.12
Expected benefits for year 2	19.47	32.06
Expected benefits for year 3	59.80	18.56
Expected benefits for year 4	56.70	59.17
Expected benefits for year 5	65.25	54.13
Expected benefits for year 6 and above	540.90	465.16



(Rs. in lakhs except otherwise stated)

Sr. No.	Name of the entity	Net Assets (Total assets minus total liabilities)		Share in Profit or loss		Share in Other comprehensive income		Share in total comprehensive income	
		31 <sup>st</sup> March 2024		31 <sup>st</sup> March 2024		31 <sup>st</sup> March 2024		31 <sup>st</sup> March 2024	
		As % of consolidated net assets	Amount (Rs. in Lakhs)	As % of consolidated profit or loss	Amount (Rs. in Lakhs)	As % of consolidated profit or loss	Amount (Rs. in Lakhs)	As % of consolidated profit or loss	Amount (Rs. in Lakhs)
	<b>Parent</b>	67.76%	24,491.46	16.30%	723.82	32.76%	(9.36)	16.19%	714.46
	<b>Indian Subsidiaries</b>	28.86%	10,431.69	54.69%	2,428.69	54.98%	(15.71)	54.69%	2,412.98
1	Chembond Water Technologies Limited	6.49%	2,346.23	18.30%	812.91	15.79%	(4.51)	18.32%	808.40
2	Chembond Material Technologies Pvt. Ltd.	4.61%	1,665.60	9.01%	399.92	-4.25%	1.21	9.09%	401.14
3	Chembond Clean Water Technologies Limited	-1.74%	(629.18)	-5.96%	(264.81)	-0.27%	0.08	-6.00%	(264.73)
4	Chembond Biosciences Limited	0.45%	163.01	-0.44%	(19.74)	-2.13%	0.61	-0.43%	(19.13)
5	Chembond Calvatis Industrial Hygiene Systems Limited	0.30%	108.08	1.31%	58.17	0.00%	-	1.32%	58.17
6	Chembond Water Technologies (Malaysia) Sdn Bhd	0.00%	(1.65)	-1.04%	(46.30)	0.00%	-	-1.05%	(46.30)
7	Chembond Water Technologies (Thailand) Co. Limited	2.64%	952.56	10.84%	481.32	0.86%	(0.25)	10.90%	481.07
8	Phiroze Sethna Private Limited	2.96%	1,070.63	5.03%	223.49	-0.54%	0.16	5.07%	223.64
9	Chembond Distribution Limited	2.67%	964.83	-0.03%	(1.26)	1.84%	(0.53)	-0.04%	(1.79)
10	Gramos Chemical India Private Limited	0.00%	(0.42)	-0.02%	(0.92)	0.00%	-	-0.02%	(0.92)
11	Chembond Chemical Specialties Limited	-0.36%	(129.90)	0.20%	8.88	0.96%	(0.27)	0.20%	8.61
	Non Controlling interest in all subsidiaries	-14.62%	(5,286.43)	-8.18%	(363.18)	0.00%	-	-8.23%	(363.18)
	<b>Consolidation adjustments/Eliminations</b>								
	<b>Total</b>	<b>100.00%</b>	<b>36,146.53</b>	<b>100.00%</b>	<b>4,440.97</b>	<b>100.00%</b>	<b>-28.57</b>	<b>100.00%</b>	<b>4,412.40</b>





43 Related party disclosures as required under Ind AS 24 on "Related Party Disclosures"

a) Name of related party and discription of relationship:

i. Joint Venture:

Calvatis Gmbh

ii. Key Management Personnel and their relatives (KMP)

Key Management Personnel:

Sameer V. Shah, Nirmal V. Shah, Ashwin R. Nagarwadia, Bhadresh D. Shah, Mahendra K.Ghelani, Sushil U.Lakhani, Dr.Prakash Trivedi, Saraswati Sankar.

Relatives :

Padma V. Shah, Dr. Shilpa S. Shah, Mamta N. Shah, Alpna S. Shah, Jyoti N. Mehta, Amrita S. B' Durga, Malika S.Shah, Kshitija N. Shah, Raunaq S. Shah, Rahil N. Shah

Entities over which Key Management personnel are able to exercise influence :

CCL Opto Electronics Pvt Ltd., Finor Piplaj Chemicals Ltd., S and N Ventures Pvt Ltd., Visan Holdings Pvt Ltd, Visan Trust,Protochem Products Pvt Ltd.and Oriano Clean Energy Pvt Ltd.

b) The following transactions were carried out with related parties in the ordinary course of business

For the year ended/as on	31.03.2024			31.03.2023		
	Joint Venture	KMP & Entities where KMP are interested	Total	Joint Venture	KMP & Entities where KMP are interested	Total
<b>Sales of Goods</b>	-	139.14	139.14	-	172.02	172.02
Finor Piplaj Chemicals Limited	-	139.14	139.14	-	172.02	172.02
<b>Purchase of Goods</b>	-	2,339.20	2,339.20	-	2,234.30	2,234.30
Finor Piplaj Chemicals Limited	-	2,339.20	2,339.20	-	2,234.30	2,234.30
<b>Purchase in Transit</b>	-	0.11	0.11	-	0.66	0.66
Finor Piplaj Chemicals Limited	-	0.11	0.11	-	0.66	0.66
<b>Sale of Fixed Assets</b>	-	0.72	0.72	-	4.77	4.77
Finor Piplaj Chemicals Limited	-	0.72	0.72	-	4.77	4.77
<b>Rent Income</b>	-	18.00	18.00	-	12.01	12.01
Finor Piplaj Chemicals Limited	-	3.00	3.00	-	3.00	3.00
Oriano Clean Energy Pvt. Ltd.	-	15.00	15.00	-	9.01	9.01
<b>Rental Expenses</b>	-	9.00	9.00	-	14.45	14.45
Finor Piplaj Chemicals Limited	-	9.00	9.00	-	14.45	14.45
<b>Director Remunration</b>	-	442.38	442.38	-	330.46	330.46
Sameer V. Shah	-	159.77	159.77	-	115.76	115.76
Nirmal V. Shah	-	146.20	146.20	-	101.91	101.91
Rashmi S. Gavli	-	4.17	4.17	-	-	-
Jaywant Tawade	-	16.41	16.41	-	13.20	13.20
Vinod Deshpande	-	115.83	115.83	-	99.59	99.59
<b>Director Sitting Fees</b>	-	21.70	21.70	-	15.68	15.68
Ashwin R. Nagarwadia	-	4.50	4.50	-	3.50	3.50
Mahendra K. Ghelani	-	6.20	6.20	-	4.58	4.58
Sushil U. Lakhani	-	4.50	4.50	-	3.60	3.60
Dr. Prakash V. Trivedi	-	1.90	1.90	-	2.05	2.05
Saraswati Sankar	-	3.10	3.10	-	1.35	1.35
Jaywant Tawade	-	0.60	0.60	-	0.30	0.30
Raj Gupta	-	0.90	0.90	-	0.30	0.30
<b>Professional &amp; Consulting Fees</b>	-	107.70	107.70	-	103.61	95.61
Bhadresh D. Shah	-	35.74	35.74	-	27.78	27.78
Jaywant Tawade	-	18.50	18.50	-	17.16	17.16
Subhash Kolhe	-	53.11	53.11	-	48.28	48.28
Kshitija N. Shah	-	0.35	0.35	-	-	-
CCL Products LLC	-	-	-	-	2.39	2.39
Sharad. K. Wagle	-	-	-	-	4.00	4.00
ASPI. Godrej	-	-	-	-	4.00	4.00
<b>Commission</b>	-	10.35	10.35	-	5.91	5.91
Mahendra K. Ghelani	-	0.60	0.60	-	-	-
Dr. Prakash V. Trivedi	-	0.25	0.25	-	-	-
Sushil U. Lakhani	-	1.00	1.00	-	-	-
Subhash Kolhe	-	8.50	8.50	-	5.91	5.91
<b>Royalty</b>	-	41.51	41.51	-	45.26	45.26
S and N Ventures Pvt Ltd.	-	41.51	41.51	-	45.26	45.26
<b>Sundry Debtors</b>	-	60.79	60.79	-	21.97	21.97
Finor Piplaj Chemicals Limited	-	58.52	58.52	-	18.49	18.49
Oriano Clean Energy Pvt. Ltd.	-	2.27	2.27	-	-	-
CCL Opto Electronics Pvt. Ltd	-	-	-	-	3.48	3.48
<b>Sundry Creditors</b>	-	485.83	485.83	-	469.89	469.89
Finor Piplaj Chemicals Limited	-	479.66	479.66	-	469.63	469.63
Jaywant Tawade	-	1.39	1.39	-	-	-
Subhash Kolhe	-	4.78	4.78	-	0.26	0.26



**44 Capital Management**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at 31st March, 2024, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

(Refer Note no. 47 for Debt/Equity ratio)

**45 Tax Reconciliation**

(a) The income tax expense consists of the followings:

	2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
Particulars		
Current Income Tax	1,761.52	1,021.82
Short/Excess provision of Tax of earlier year	87.96	(28.46)
Deferred Tax Expense	(295.09)	(115.95)
<b>Tax expense for the year</b>	<b>1,554.38</b>	<b>877.41</b>

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Profit before income tax expense	6,334.41	3,805.37
Expected Income Tax expenses	1319.66	978.26
Part A		
Tax effect of amounts which are not deductible (allowable) in calculating taxable income:		
Income exempt from income taxes	(20.50)	-
Additional allowances/deduction	229.57	(17.19)
Transition gain	-	-
MAT credit entitlement	106.03	-
Short/Excess Provision of Tax of earlier years	(3.95)	(28.46)
Others	126.64	38.51
<b>Current Tax (A)</b>	<b>1757.45</b>	<b>971.12</b>
Part B		
Deferred Tax rate	29.12%	29.12%
Written Down Value Of Property Plant & Equipment	(32.13)	(25.94)
Unabsorbed IT losses and Depreciation	-	(1.37)
Investments at Fair Value	103.27	36.24
Other Deductible Temporary Differences	2.12	-
Gratuity	19.36	(3.35)
MAT Credit	31.83	68.13
Other Deferred tax Asset	4.43	0.02
Provision for Expected Credit Loss	220.71	37.84
<b>Deferred Tax (B)</b>	<b>(203.08)</b>	<b>(93.70)</b>
<b>Tax Expense (A+B)</b>	<b>1,554.38</b>	<b>877.41</b>

**46 Contingent Liabilities and Capital Commitments (To the extent not provided for) :**

Particulars

	As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
<b>A) Contingent Liabilities not provided for :</b>		
<b>a) Claims against the company not acknowledged as debts -</b>		
i).Income Tax matters under Appeal	19.24	20.09
ii) Income tax Matters (TDS)	5.26	1.71
iii) Income tax demands pending for rectification	32.39	98.35
iv) Service tax due as per final audit report and show cause notice**	259.42	265.71
v) Devendra Feeds India Private Limited has lodged. F.I.R dated 24th June, 2022 with police station Safidon, District Jind, Haryana against Chembond Chemicals Limited, Mr Sameer Shah (Chairman & Managing Director) and 3 other current & ex-employees, with respect to damage caused by inferior quality of Products. The Company has disclaimed liability and is defending the action. It is not practical to estimate the potential effect of this claim, as the matter is being currently considered by the Competent Authorities and Courts.	-	-
vi) Rajkumar Mor of Mor Hatcheries has lodged. F.I.R dated 4th January, 2023 with police station Pillukhera, District Jind, Haryana against Chembond Biosciences Limited and Mr. Sameer Shah (Director), with respect to inferior quality of Products. Chembond Biosciences Limited has disclaimed liability and is defending the action. It is not practical to estimate the potential effect of this claim, as the matter is being currently considered by the Competent Authorities and Courts.	-	-
<b>b) Counter Guarantees given by Company for Bank Guarantees issued -</b>		
i) Corporate Guarantee given to Bank of India by the Company on behalf of Subsidiaries Chembond Water Technologies Ltd. & Chembond Clean Water Technologies Ltd.	2,550.00	2,550.00
<b>B) Capital Commitments</b>		
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	166.60	75.31

\*\* As per the SCN issued for service tax matters, there may be additional liability of interest and penalty, quantum of which is not ascertained.



NOTE : 47

(Rs. in lakhs except otherwise stated)

Financials Ratios	2023-2024	2022-2023	Variance
<b>(a) Current Ratio</b>			
Current Assets(A)	25,171.93	21,933.97	
Current Liabilities(B)	8,187.86	7,685.96	
<b>Current Ratio( A/B)</b>	<b>3.07</b>	<b>2.85</b>	<b>8%</b>
<b>(b) Debt-Equity Ratio</b>			
Total Borrowings(A)- Current + Non-current borrowings (A)	668.30	652.53	
Total Shareholders' Equity(B) - Total Equity (B)	36,276.43	32,307.93	
<b>Debt-Equity Ratio( A/B)</b>	<b>0.02</b>	<b>0.02</b>	<b>-9%</b>
<b>(c) Debt Service Coverage Ratio #</b>			
Earnings for debt service= Net profit after taxes + Non- Cash operating expenses+Interest+ Other adjustments (A)	6,559.75	3,872.56	
Interest on Loan+Loan repayment in a year(B)	18.73	28.40	
<b>Debt Service Coverage Ratio( A/B)</b>	<b>350.20</b>	<b>136.35</b>	<b>157%</b>
<b>(d) Return on Equity Ratio #</b>			
Net Profit(A)	4,432.09	2,516.21	
Average Shareholders Equity(B)	34,157.98	31,282.24	
<b>Return on Equity Ratio( A/B)</b>	<b>12.98%</b>	<b>8.04%</b>	<b>61%</b>
<b>(e) Inventory turnover ratio</b>			
Raw materials,components,finished goods and work in progress consumed (A)	24,367.00	25,501.09	
Average Inventory(B)	3,367.08	3,406.69	
<b>Inventory turnover Ratio( A/B)</b>	<b>7.24</b>	<b>7.49</b>	<b>-3%</b>
<b>(f) Trade receivables turnover ratio</b>			
Net sales(A)	46,198.61	44,044.41	
Average Accounts receivable(B)	11,774.19	10,241.12	
<b>Trade receivable turnover Ratio( A/B)</b>	<b>3.92</b>	<b>4.30</b>	<b>-9%</b>
<b>(g) Trade Payables turnover ratio</b>			
Net Purchases(A)	24,125.65	25,738.44	
Average trade payable(B)	5,363.60	4,609.63	
<b>Trade Payables turnover Ratio( A/B)</b>	<b>4.50</b>	<b>5.58</b>	<b>-19%</b>
<b>(h) Net Capital turnover ratio</b>			
Net sales(A)	46,198.61	44,044.41	
Average Working capital (i.e. Total current assets - Total Current Liabilities) (B)	15,616.03	14,103.47	
<b>Net Capital turnover Ratio( A/B)</b>	<b>2.96</b>	<b>3.12</b>	<b>-5%</b>
<b>(i) Net Profit ratio #</b>			
Net Profit(A)	4,432.09	2,516.21	
Net Sales(B)	46,198.61	44,044.41	
<b>Net Profit Ratio( A/B)</b>	<b>9.59%</b>	<b>5.71%</b>	<b>68%</b>
<b>(j) Return on Capital employed #</b>			
EBIT(A) - PBT+Finance Costs	6,104.14	3,497.76	
Shareholders Equity+Long term liabilities(B) - Total Equity + Borrowings+ Tax Provision + Gratuity Provision	36,509.31	32,508.09	
<b>Return on Capital employed( A/B)</b>	<b>16.72%</b>	<b>10.76%</b>	<b>55%</b>
<b>(k) Return on Investment #</b>			
Income generated from investment funds (Dividend Income+ Realised and unrealised gain on investments) (A)	943.13	242.67	
Average Cost of Investments (B)	6,345.70	5,684.40	
<b>Return on Investment( A/B)</b>	<b>14.86%</b>	<b>4.27%</b>	<b>248%</b>

C#- Interest coverage ratio improved on account of lower utilisation of working capital limits.

D, I, J #- EBITDA, PBT, Net Profit and Return on equity have improved at the backdrop of strong sales growth and softening of input costs across operating business units and other non operating income.

K#- ROI has improved on account of net gain from fair valuation of investments and healthy dividend income.





NOTE : 48

Ageing Schedule for Trade receivables

(Rs. in lakhs except otherwise stated)

Ageing for trade receivables outstanding as on 31st Mar'24 is as follows :

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed trade receivables - considered good	2,830.20	8,170.97	975.24	11.26	18.00	23.44	12,029.12
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) undisputed trade receivables - credit impaired	-	-	-	36.08	1,199.15	229.75	1,464.98
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	-	-	-	(36.08)	(1,199.15)	(229.75)	(1,464.98)
<b>Total</b>	<b>2,830.20</b>	<b>8,170.97</b>	<b>975.24</b>	<b>11.26</b>	<b>18.00</b>	<b>23.44</b>	<b>12,029.12</b>

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

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed trade receivables - considered good	6,446.97	4,076.02	859.54	136.73	-	-	11,519.26
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
iv) Disputed trade receivables - considered good	-	-	-	-	322.25	330.13	652.38
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less : Allowance for doubtful trade receivables	-	-	-	-	(322.25)	(330.13)	(652.38)
<b>Total</b>	<b>6,446.97</b>	<b>4,076.02</b>	<b>859.54</b>	<b>161.29</b>	<b>338.10</b>	<b>330.13</b>	<b>11,519.26</b>

NOTE : 49

Ageing Schedule for Trade Payables

Ageing for trade Payables outstanding as on 31st Mar'24 is as follows :

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs.	
I) MSME	472.09	10.25	-	-	-	482.34
II) Others	3,223.44	1,088.66	201.51	32.32	8.65	4,554.58
III) Disputed dues - MSME	-	-	-	-	-	-
IV) Disputed dues - Others	-	-	-	-	-	-
Accrued expenses	-	-	-	-	-	380.63
<b>Total</b>	<b>3,695.52</b>	<b>1,098.91</b>	<b>201.51</b>	<b>32.32</b>	<b>8.65</b>	<b>5,417.54</b>

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

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs.	
I) MSME	852.14	180.15	-	-	-	1,032.30
II) Others	3,460.64	265.93	148.30	-6.35	87.14	3,955.67
III) Disputed dues - MSME	-	-	-	-	-	-
IV) Disputed dues - Others	-	-	-	-	-	-
Accrued expenses	-	-	-	-	-	321.70
<b>Total</b>	<b>4,312.78</b>	<b>446.08</b>	<b>148.30</b>	<b>-6.35</b>	<b>87.14</b>	<b>5,309.66</b>

NOTE : 50

Ageing Schedule for Capital Work in Progress

Ageing for CWIP as on 31st Mar'24 is as follows :

Particulars	Amount in CWIP for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Projects in progress	103.49	504.50	714.94	7.50	1,330.43
ii) Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>103.49</b>	<b>504.50</b>	<b>714.94</b>	<b>7.50</b>	<b>1,330.43</b>

Ageing for CWIP as on 31st Mar'23 is as follows :

Particulars	Amount in CWIP for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Projects in progress	390.94	831.34	-	-	1,222.28
ii) Projects temporarily suspended	-	7.35	-	7.50	14.85
<b>Total</b>	<b>390.94</b>	<b>838.69</b>	<b>-</b>	<b>7.50</b>	<b>1,237.13</b>





**NOTE : 51**

**Additional regulatory information not disclosed elsewhere in the financial information**

- A The Company and its Indian subsidiaries do not have any Benami property and no proceedings have been initiated or pending against the Company and its Indian subsidiaries for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- B The Company and its Indian subsidiaries do not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956, except for the parties mentioned below:

Name of Struck off Company	Nature of transactions with struck-off Company	[Rs. In Lakhs]		Relationship with the Struck off company, if any, to be disclosed
		Balance Outstanding as on 31st Mar'24	Balance Outstanding as on 31st Mar'23	
Lanxess India Private Limited	Receivables	-	0.36	Nil
Shree Engineers Infrastructure Private Limited	Receivables	-	(0.02)	Nil

- C The Group have 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:  
directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- D The Group have 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 Group 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,
- E The Group have not undertaken any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- F The Group have not traded or invested in Crypto currency or Virtual Currency during the current or previous year.
- G The Group have not been declared as a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- H The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.



**52 Audit Trail**

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 Group 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 Group 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.

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

**53 Events occurring After Balance sheet date**

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and / or reporting of any of these events and transactions in the financial statements. As on May 25, 2024, there are no subsequent events to be recognised or reported.

**54 Accounting Treatment as per IND AS 103 - Business Combination**

On 11th September, 2023, the Mumbai bench of National Company Law Tribunal had approved the composite scheme of amalgamation of Chembond Polymers and Materials Limited with Chembond Material Technologies Private Limited (both wholly owned subsidiaries of the Company). The certified true copy of the order was filed with the Registrar of Companies, Mumbai and stock exchanges and thus the scheme is effective from the said date. The appointed date of merger was 1st April, 2022. Accordingly, the consolidated financial Statements for comparative Year ended 31st March, 2023 have been restated considering the accounting treatment prescribed under IND AS 103 – Business Combination.

**55 Composite Scheme of Arrangement:**

On 12th December, 2023, Chembond Chemicals Limited (CCL) has entered into the composite scheme of arrangement with some of its subsidiaries and step down subsidiaries viz. Chembond Chemical Specialties Limited ("Resulting Company"), Chembond Clean Water Technologies Limited (CCWTL), Chembond Material technologies Private Limited (CMTPL), Phiroze Sethna Private Limited (PSPL) and Gramos Chemicals India Private Limited (GCIPL) 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, the "Demerged undertaking" viz. the Construction Chemicals and Water Treatment Business of CCL shall be transferred to the Resulting Company, CCWTL shall be amalgamated with the Resulting Company and CMTPL, PSPL and GCIPL shall be amalgamated with 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 Statements.

**56 Fire Incident**

The Group received claim towards the Inventory damaged in the fire incident that occurred in April 2022 which was fully settled by the insurance company at the value for Rs. 201.52 lakhs, against Rs.267.5 lakhs claimed. The claim against property, plant and equipment is partially settled and is still under review.

57 The Group has decided to continue with the existing tax structure except for two subsidiary companies which has provided for current and deferred tax at the rate prescribed under Section 115BAA of the Income Tax Act, 1961

58 The previous year figures have been regrouped, reallocated or reclassified wherever necessary to conform to current year classification and presentation.

As per our attached report of even date

For **Bathiya & Associates LLP**  
Chartered Accountants  
FRN - 101046W/W100063

*Jatin A. Thakkar*

**Jatin A. Thakkar**  
Partner  
Membership No. : 134767  
Mumbai 25th May 2024



On behalf of the Board of Directors

*Sameer V. Shah*  
**Sameer V. Shah**  
Chairman  
& Managing Director  
DIN: 00105721

*Rashmi S. Gavli*  
**Rashmi S. Gavli**  
Chief Financial Officer  
Mumbai, 25th May 2024

*Nirmal V. Shah*  
**Nirmal V. Shah**  
Vice Chairman  
& Managing Director  
DIN: 00083853

*Suchita Singh*  
**Suchita Singh**  
Company Secretary

*Mahendra K. Ghelani*  
**Mahendra K. Ghelani**  
Director  
DIN: 01108297



## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**Chembond Chemicals Limited**

### Report on the Audit of the Standalone Financial Statements:

#### Opinion

We have audited the standalone financial statements of Chembond Chemicals Limited ("the Company"), which comprise the standalone Balance Sheet as at 31<sup>st</sup> March 2024, the standalone statement of Profit and Loss (including other comprehensive income), the standalone statement of changes in equity, the standalone statement of cash flows for the year then ended and notes to the standalone financial statements, including a summary of material 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 standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March 2024, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
<p><b><u>Contingent liabilities</u></b></p> <p>The Company has disclosed in note no. 40 to the standalone financial statements the contingent liabilities as at 31<sup>st</sup> March, 2024 which includes disputed liabilities in respect of income tax, service tax matters and a case lodged against the Company with respect to inferior quality of products.</p> <p>These involve a high degree of judgement to determine the possible outcomes and estimates relating to the timing and the amount of outflows of resources embodying economic benefits.</p>	<p>The audit procedures included but were not limited to:</p> <ol style="list-style-type: none"> <li>a) Obtained the summary of all disputed matters of the Company and assessed the management's position through discussions.</li> <li>b) Obtained a detailed understanding of processes and controls of the Management with respect to disputed matters.</li> <li>c) Making corroborative inquiries with appropriate level of the management personnel including status update, expectation of outcomes with basis and future course of action contemplated by the Company.</li> <li>d) Evaluating the evidences supporting the judgement of the management about the possible outcomes and the reasonableness of the estimates.</li> <li>e) Evaluating appropriateness of adequate disclosures in accordance with the applicable accounting standards.</li> </ol>

## Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, for example, Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate





Governance and Shareholders Information but does not include the standalone financial statements, consolidated financial statements and our auditor's reports thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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 this other information, we are required to report that fact to those charged with governance. We have nothing to report in this regard.

### **Responsibilities of management and Those Charged with Governance for the Standalone Financial Statements**

The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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 Act, 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the Company to express an opinion on the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in Annexure A, 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 purposes of our audit;
  - b. In our opinion proper books of account as required by law relating to preparation of the standalone financial statements have been kept by the Company so far as it appears from our examination of those books *except for the matters stated in 3(vi) below*.
  - c. The standalone Balance Sheet, the standalone statement of Profit and Loss (including Other Comprehensive Income), the standalone statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of these standalone financial statements;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. The modifications relating to the maintenance of accounts and other matters connected therewith in respect of audit trail are as stated in paragraph 2(b) above on reporting under section 143(3)(b) of the Act and paragraph 3(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”.

3. With respect to the other matters to be included in the Auditors’ 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 of pending litigations on its financial position in its standalone financial statements – Refer note no. 40 to the standalone financial statements;
- ii. the Company does not have any long-term contracts including derivative contracts for which there were any 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 note no. 45(D), no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(entities), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 like on behalf of the Ultimate Beneficiaries.  
  
b) The management has represented that to the best of its knowledge and belief as disclosed in note no. 45(E), no funds have been received by the Company from any person(s) or entity(entities), including foreign entities (“Funding Parties”), with the Understanding, whether recorded in writing or otherwise, that the Company shall, whether 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 such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that management representations under sub-clause (a) and (b) above contain any material misstatement.
- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- vi. Based on our examination which included test checks, the Company has used accounting software, a payroll application and employee reimbursement 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. 47 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.

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

4. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the Company has paid and / or provided remuneration to its directors during the year ended 31<sup>st</sup> March, 2024 in accordance with the provisions of Section 197 of the Act.

**For Bathiya & Associates LLP**

Chartered Accountants

Firm Registration No. 101046W / W100063



**Jatin A. Thakkar**

Partner

Membership No.: 134767

UDIN: 24134767BKEATR5727

Place: Mumbai

Date: 25<sup>th</sup> May, 2024



## Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date for the year ended 31<sup>st</sup> March, 2024)

**Report on Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of the Company.**

- (i)
- (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 program of physical verification of its property, plant and equipment, under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, 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 in the basis of our examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of Company as at the Balance Sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed under property, plant and equipment in the standalone financial statements, the lease agreements are held in the name of the Company.
- (d) The Company has not revalued its property, plant and equipment and intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) The Company has a working capital limit in excess of 500.00 lakhs sanctioned by a bank based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such bank and such statements are in agreement with the books of account of the Company for the respective periods as reported in note no. 46 of the standalone financial statements.



(iii)

(a) The Company has provided a loan to its three subsidiary companies. The details of the same are given below:

Particulars	Loan (Rs. In lakhs)
Aggregate amount provided/ granted during the year - Subsidiaries	80.00
Balance outstanding as at Balance Sheet date in respect of above cases - Subsidiaries	1070.00

(b) The Company has not provided or given any guarantee, security or advances in the nature of loans during the year except the corporate guarantees given to banks on behalf of its subsidiaries. In our opinion, and according to the information and explanations given to us, the guarantees issued, investments made and terms and conditions of the grant of all loans provided are, prima facie, not prejudicial to the interest of the Company.

(c) In respect of loans granted by the Company, the payment of interest has been specified and the receipt of interest is regular. Further, there is repayment of principal amount of loans during the year as demanded from time to time.

(d) There is no overdue amount in respect of loans granted to such companies as the loans are repayable on demand.

(e) The Company has not granted any loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans.

(f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment except the following loans [as per clause iii(a)] granted to its three subsidiary companies:

Particulars	Loan to subsidiaries (Rs. In lakhs)
Aggregate amount of loans:	
Repayable on demand (A)	1070.00
Agreement does not specify any terms or period of repayment (B)	-
Total (A+B)	1070.00
Percentage of such loans to the total loans	100.00%

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees, and security given for the year under report.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of



Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) 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.

(vii)

(a) As per information and explanations given to us, undisputed statutory dues including provident fund, employees' state insurance, income tax, profession tax, Goods and Service Tax, custom duty, cess and other statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there has been delays in deposit in a few cases which are not serious. Further, there are no undisputed amounts payable in respect of above-mentioned statutory dues which were in arrears, as at 31<sup>st</sup> March, 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, Goods and Service Tax, custom duty, excise duty and cess, which have not been deposited on account of any dispute except in the case of the following disputes which are pending:

Name of statute	Nature of the Dues	Amount (Rs. In lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	14.61	FY 2016-17	Commissioner of Income Tax (Appeals)
Finance Act, 1994 (Service Tax)	Service Tax & Cess	259.42	FY 2014-15 to FY 2017-18 (Up to June 2017)	Dy. Commissioner (Audit)
Income Tax Act, 1961	Demands pending for rectification	32.39	FY 2006-07, FY 2010-11, FY 2011-12, FY 2014-15, FY 2017-18	Assistant Commissioner of Income Tax Circle 6(2)(1), Central Processing Center Bengaluru
Income Tax (TDS)	TDS defaults	1.85	FY 2007-08, FY 2010-11, FY 2021-22, FY 2022-23	Assistant Commissioner of Income Tax, CPC-TDS
<b>TOTAL</b>		<b>308.27</b>		

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.





- (ix)(a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) On the basis of records of the Company examined by us and according to the information and explanations given to us, the Company has not raised money by way of term loan during the year. Therefore, the clause 3(ix)(c) of the aforesaid Order is not applicable to the Company.
- (d) On an overall examination of the Standalone Financial Statement of the Company, Funds raised on short-term basis have ,not been used during the year for Long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of initial public offer during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under sub-section (12) of Section 143 of the 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 for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting



Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

- (xiv)(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the plans of the Board of Directors and management, 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.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under subsection (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.



(xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For Bathiya & Associates LLP**  
Chartered Accountants  
Firm Registration No. 101046W / W100063

*Jatin A. Thakkar*



**Jatin A. Thakkar**  
Partner  
Membership No.: 134767  
Place: Mumbai  
Date: 25<sup>th</sup> May, 2024

## **Annexure - B to the Independent Auditors' Report**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date for the year ended 31<sup>st</sup> March, 2024)

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

We have audited the internal financial controls over financial reporting of Chembond Chemicals Limited ("the Company") as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **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 (the 'Guidance Note'). 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 Act.

#### **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 and the Standards on Auditing, deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 auditors' judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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 standalone 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.

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 31<sup>st</sup> March, 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.

For Bathiya & Associates LLP

Chartered Accountants

Firm Registration No. 101046W/W100063

*Jatin A. Thakkar*

Jatin A. Thakkar

Partner

Membership No.: 134767

Place: Mumbai

Date: 25<sup>th</sup> May, 2024



**Chembond Chemicals Ltd.**  
**Standalone Balance Sheet as at 31st March 2024**  
**CIN L24100MH1975PLC018235**

	Notes	(Rs. in lakhs except otherwise stated)	
		As at 31/03/2024 (Rs. In Lakhs)	As at 31/03/2023 (Rs. In Lakhs)
<b>Assets</b>			
<b>1) Non-current assets</b>			
(a) Property, Plant and Equipment	2	2,829.48	2,826.33
(b) Capital work-in-progress	2	1,186.85	703.04
(c) Other Intangible assets	2	51.56	23.32
(d) Financial Assets			
i) Investments	3	14,717.46	14,419.99
ii) Other financial assets	4	42.24	55.39
(e) Deferred tax Asset (Net)	4(a)	20.66	-
(f) Income tax asset (net)	5	251.20	278.81
(g) Other non-current assets	6	0.33	55.36
<b>Total Non-current assets</b>		<b>19,099.77</b>	<b>18,362.23</b>
<b>2) Current Assets</b>			
(a) Inventories	7	275.46	300.74
(b) Financial Assets			
i) Investments	8	2,073.11	1,914.13
ii) Trade receivables	9	1,907.48	2,310.51
iii) Cash and cash equivalents	10	224.49	89.81
iv) Bank balances other than (iii) above	11	808.33	768.25
v) Loans	12	1,070.00	1,240.31
vi) Other financial assets	13	59.75	93.82
(c) Other current assets	14	264.69	271.11
<b>Total current assets</b>		<b>6,683.31</b>	<b>6,988.68</b>
<b>Total Assets</b>		<b>25,783.08</b>	<b>25,350.91</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
(a) Equity Share capital	15	672.41	672.41
(b) Other equity	16	23,819.04	23,508.05
<b>Total Equity</b>		<b>24,491.46</b>	<b>24,180.46</b>
<b>Liabilities</b>			
<b>1) Non-Current Liabilities</b>			
(a) Provisions	17	80.15	63.05
(b) Deferred tax liabilities (net)	18	-	13.42
<b>Total Non-current liabilities</b>		<b>80.15</b>	<b>76.47</b>
<b>2) Current liabilities</b>			
(a) Financial liabilities			
i) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	19	20.34	49.18
Total outstanding dues of creditors other than micro enterprises and small enterprises	19	661.38	742.70
ii) Other financial liabilities	20	16.51	16.64
(b) Other current liabilities	21	497.01	270.42
(c) Provisions	22	16.22	15.04
<b>Total current liabilities</b>		<b>1,211.47</b>	<b>1,093.98</b>
<b>Total Equity and Liabilities</b>		<b>25,783.08</b>	<b>25,350.91</b>

Material Accounting Policies, key accounting estimates and 1-51 judgements and notes on financial statements.

1-51

As per our attached report of even date

On behalf of the Board of Directors

For Bathiya & Associates LLP  
 Chartered Accountants  
 FRN - 101046W/W100063



*Jatin A. Thakkar*  
**Jatin A. Thakkar**  
 Partner  
 Membership No. : 134767  
 Mumbai, 25th May 2024

*V. P. Shah*  
**Sameer V. Shah**  
 Chairman  
 & Managing Director  
 DIN: 00105721

*Rashmi S. Gavli*  
**Rashmi S. Gavli**  
 Chief Financial Officer  
 Mumbai, 25th May 2024

*Nirmal V. Shah*  
**Nirmal V. Shah**  
 Vice Chairman  
 & Managing Director  
 DIN: 00083853

*Suchita Singh*  
**Suchita Singh**  
 Company Secretary

*Mahendra K. Ghelani*  
**Mahendra K. Ghelani**  
 Director  
 DIN: 01108297



**Chembond Chemicals Ltd.**  
**Standalone Statement of Profit and Loss for the year ended March 31, 2024**

	Notes	(Rs. in lakhs except otherwise stated)	
		2023-24 (Rs. In Lakhs)	2022-23 (Rs. In Lakhs)
Revenue From Operations	23	5,259.57	5,086.45
Other Income	24	1,164.11	541.35
<b>Total Income</b>		<b>6,423.68</b>	<b>5,627.80</b>
<b>Expenses :</b>			
Cost of Materials Consumed	25	2,019.33	1,789.18
Purchases of Stock-in-trade	26	529.95	829.70
Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	27	7.13	13.78
Employee Benefits Expense	28	1,027.96	825.21
Finance Costs	29	7.30	6.48
Depreciation and Amortisation expense	30	245.97	243.87
Other Expenses	31	1,702.80	1,464.19
<b>Total Expenses</b>		<b>5,540.45</b>	<b>5,172.42</b>
Profit before Exceptional items and Tax		883.23	455.37
Exceptional Items		-	-
<b>Profit before Tax</b>		<b>883.23</b>	<b>455.37</b>
<b>Tax Expense</b>			
Current Tax		155.30	130.08
Short/(Excess) Provision of tax of earlier years		36.22	3.81
Deferred Tax		(32.10)	(74.45)
<b>Total Tax Expenses</b>		<b>159.42</b>	<b>59.44</b>
Profit for the Year		<b>723.82</b>	<b>395.93</b>
<b>Other Comprehensive Income</b>			
1 i) Items that will not be reclassified to profit or loss		(11.34)	(55.26)
ii) Income Tax relating to items that will not be reclassified to profit or loss		1.98	10.94
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		-	-
<b>Other Comprehensive Income</b>		<b>(9.36)</b>	<b>(44.32)</b>
<b>Total Comprehensive Income</b>		<b>714.46</b>	<b>351.61</b>
Earning Per Equity Share of Face Value of Rs. 5 each	32		
Basic (in Rs.)		5.38	2.94
Diluted (in Rs.)		5.38	2.94
Material Accounting Policies, key accounting estimates and 1-51 judgements and notes on financial statements.	1-51		

As per our attached report of even date

On behalf of the Board of On Behalf of the Board of Directors

For Bathiya & Associates LLP  
Chartered Accountants  
FRN - 101046W/W100063

*Jatin A. Thakkar*

Jatin A. Thakkar  
Partner  
Membership No. : 134767  
Mumbai, 25th May 2024



*V. V. V.*

Sameer V. Shah  
Chairman  
& Managing Director  
DIN: 00105721

*Gavli*

Rashmi S. Gavli  
Chief Financial Officer  
Mumbai, 25th May 2024

*Nirmal V. Shah*

Nirmal V. Shah  
Vice Chairman  
& Managing Director  
DIN: 00083853

*Suchita Singh*

Suchita Singh  
Company Secretary

*Mattendra R. Ghelani*

Mattendra R. Ghelani  
Director  
DIN: 01108297



**Chembond Chemicals Limited**

**Standalone Cash Flow Statement for the year ended 31st March 2024**

(Rs. In lakhs except otherwise stated)

Particulars		31.03.2024		31.03.2023	
<b>A</b>	<b>Cash Flow from Operating Activities</b>				
	Profit before tax		883.23		455.37
	Adjustments for :				
	Depreciation and amortisation	245.97		243.87	
	Foreign Exchange Fluctuation	8.67		-	
	Finance Cost	7.30		6.48	
	Less :		261.94		250.36
	Scrap Sale of Property Plant & Equipment	35.41		-	
	Net Gain on Investments	639.68		156.22	
	Interest from Fixed Deposits and Loans at Effective Interest Rate	154.45		179.32	
	Profit on Sale of Property, Plant & Equipment	0.01		0.08	
	Dividend Received	202.30		91.89	
	Operating Profit before working capital changes		(1,031.86)		(427.51)
	Adjustments for :		113.31		278.23
	Trade and Other Receivables	511.70		(377.36)	
	Inventories	(25.28)		(16.75)	
	Trade and Other Payables	98.29		222.91	
	Cash generated from operations		584.71		(171.19)
	Income taxes paid (Net of Refund)		(129.66)		107.03
	<b>Net Cash from Operating Activities (A)</b>		<b>568.35</b>		<b>9.40</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>				
	Payment to acquire Property, plant & equipments		(765.45)		(566.01)
	Proceeds from Sale of Property, plant & equipments		39.60		22.08
	Interest from Fixed Deposits and Loans at Effective Interest Rate		154.45		179.32
	Purchase of Investment		(325.04)		(1,913.96)
	Sale of Investment		500.89		2,906.19
	Dividend Income		202.30		91.89
	<b>Net Cash from Investing Activities (B)</b>		<b>(193.24)</b>		<b>719.51</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>				
	Proceeds from Loan & Advances		170.31		-
	Dividend paid		(403.45)		(672.41)
	Finance Cost		(7.30)		(6.48)
	<b>Net Cash from Financing Activities (C)</b>		<b>(240.45)</b>		<b>(678.90)</b>
	<b>Net (Decrease)/Increase in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>134.66</b>		<b>50.01</b>
	Cash and Cash Equivalents as on Opening		89.81		39.80
	Cash and Cash Equivalents as on Closing		<b>224.49</b>		<b>89.81</b>

**1 Components of Cash and Cash Equivalents**

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
<b>1) Cash &amp; Cash Equivalents:</b>		
Cash on hand	2.27	1.78
Balances with banks:		
-in current accounts	222.22	88.03
<b>Total</b>	<b>224.49</b>	<b>89.81</b>





2 The above cashflow statement has been prepared under the indirect method as set out in the IND-AS 7 on the statement of cashflow as notified under (Indian Accounting Standards) Rules, 2015 as amended

Amendment to Ind AS 7-

Amendment to Ind AS 7 effective from 01 April, 2017 require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance sheet for liabilities arising from financing activities, to meet disclosure requirement. Accordingly, the Company has given the said disclosure as below:

Particulars	Note No.	1 st April 2023	Cashflow	Foreign Exchange Movement	31 st March 2024
- Other financial liabilities					
Unpaid dividends	20	16.64	(0.12)	-	16.52
<b>Total</b>		<b>16.64</b>	<b>(0.12)</b>	<b>-</b>	<b>16.52</b>

Particulars	Note No.	1 st April 2022	Cashflow	Foreign Exchange Movement	31 st March 2023
- Other financial liabilities					
Unpaid dividends	20	16.57	0.07	-	16.64
<b>Total</b>		<b>16.57</b>	<b>0.07</b>	<b>-</b>	<b>16.64</b>

Material Accounting Policies, key accounting estimates and judgements and notes on financial statements.

1-51

As per our attached report of even date

On behalf of the Board of Directors

For Bathiya & Associates LLP  
Chartered Accountants  
FRN - 101046W/W100063

*Jatin A. Thakkar*

Jatin A. Thakkar  
Partner  
Membership No. : 134767  
Mumbai, 25th May 2024



*Sameer V. Shah*  
Sameer V. Shah  
Chairman  
& Managing Director  
DIN: 00105721

*Rashmi S. Gavli*  
Rashmi S. Gavli  
Chief Financial Officer  
Mumbai, 25th May 2024

*Nirmal K. Shah*  
Nirmal K. Shah  
Vice Chairman  
& Managing Director  
DIN: 00083853

*Suchita Singh*  
Suchita Singh  
Company Secretary

*Mahendra K. Ghelani*  
Mahendra K. Ghelani  
Director  
DIN: 01108297



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

(a) Equity share capital

	No. of Shares	(Rs. In lakhs)
Balance as at 31 March 2022	13,448,288	672.41
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	-	-
<b>Balance as at 31 March 2023</b>	<b>13,448,288</b>	<b>672.41</b>
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	-	-
<b>Balance as at 31 March 2024</b>	<b>13,448,288</b>	<b>672.41</b>

(b) Other Equity

(Rs. In Lakhs)

Particulars	Reserves and Surplus				Items of other Comprehensive Income	Total other equity
	General Reserve	Share Premium	Employees Shares Options Outstanding	Retained earnings	Remeasurements of the net defined benefit Plans	
Balance as at 31st March 2022	630.00	613.05	-	22,573.12	12.69	23,828.85
Profit for the year				395.93		395.93
Other comprehensive income for the year					(44.32)	(44.32)
<b>Total Comprehensive Income</b>	-	-	-	395.93	(44.32)	351.61
Dividend Paid				(672.41)		(672.41)
<b>Balance as at 31st March 2023</b>	<b>630.00</b>	<b>613.05</b>	<b>-</b>	<b>22,296.63</b>	<b>(31.63)</b>	<b>23,508.05</b>
Profit for the year				723.81		723.81
Other comprehensive income for the year					(9.36)	(9.36)
<b>Total Comprehensive Income</b>	-	-	-	723.81	(9.36)	714.45
Dividend Paid				(403.45)		(403.45)
<b>Balance as at 31st March 2024</b>	<b>630.00</b>	<b>613.05</b>	<b>-</b>	<b>22,616.99</b>	<b>(40.99)</b>	<b>23,819.05</b>

Material Accounting Policies, key accounting estimates and judgements and notes on financial statements. 1-51

As per our attached report of even date  
For Bathiya & Associates LLP  
Chartered Accountants  
FRN - 101046W/W100063



*Jatin A. Thakkar*

Jatin A. Thakkar  
Partner  
Membership No. : 134767  
Mumbai, 25th May 2024

On behalf of the Board of Directors

*V. Shah*  
Sameer V. Shah  
Chairman  
& Managing Director  
DIN: 00105721

*Rashmi S. Gavli*  
Rashmi S. Gavli  
Chief Financial Officer  
Mumbai, 25th May 2024

*Nirmal V. Shah*  
Nirmal V. Shah  
Vice Chairman  
& Managing Director  
DIN: 00083853

*Suchita Singh*  
Suchita Singh  
Company Secretary

*Mahendra K. Ghelani*  
Mahendra K. Ghelani  
Director  
DIN: 01108297



## Notes to the Standalone Financial Statements

For the year ended March 31, 2024

### COMPANY INFORMATION:

Chembond Chemicals Limited (the Company) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Registered office of the Company is situated at Chembond Centre, EL-71, MIDC Mahape, Navi Mumbai -400710, Maharashtra.

The Company is engaged in manufacturing of Speciality Chemicals.

### 1. Basis of Preparation, Material Accounting Policies, Key Accounting estimates and Judgements and Recent Accounting Pronouncements

#### 1.1 Basis of preparation of financial statements and presentation

The 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.

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.

#### 1.2 Summary of Material accounting policies

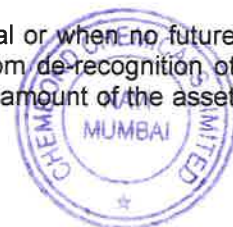
##### a) Property, Plant and Equipment:

The cost of an item of Property, Plant and Equipment ('PPE') is recognised as an asset if, and only if, it is probable that the future economic benefits associated with the item will flow to the Company and the cost can be measured reliably,

PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including import duties and non-refundable purchase taxes but excluding any trade discount and rebates), and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. When an item of PPE is replaced, then its carrying amount is derecognised and the cost of the new item of PPE is recognised. Further, in case the replaced part was not depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired. All other repair and maintenance cost are recognised in Statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of PPE and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of profit and loss when the PPE is derecognised.



The Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

**b) 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.

**c) Capital Work in Progress & Capital Advances:**

Capital work-in-progress comprises the cost of assets that are yet not ready for their intended use at the balance sheet date. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are classified as Capital Advances under Other Non-Current Assets.

**d) Depreciation and Amortization:**

Depreciation on PPE (other than free hold and lease hold land) has been provided based on useful life of the assets in accordance with Schedule II of the Companies Act, 2013, on Straight Line Method. Freehold land is not depreciated. Leasehold land and leasehold improvements are amortized over the primary period of lease.

Depreciation methods, useful lives and residual value are reviewed at each reporting date and adjusted prospectively, if appropriate.

**e) 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 sales is recognised when goods are supplied and control over the Goods sold is transferred to the buyer which is on dispatch/ delivery as per the terms of contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sales of the goods. This is considered the appropriate point where the performance obligations in the contracts are satisfied as the Group no longer has control over the inventory sales are presented net of returns, trade discounts rebates and Goods and service tax (GST).
- ii. Revenue from services is recognised pro-rata as and when services are rendered over a specified period of time. The company collects 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.
- iii. Dividend income from investment is recognised when the Company's right to receive is established by the reporting date, which is generally when shareholders approve the dividend.

**f) Lease:**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**Company as a Lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.





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. 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 finance costs in the statement of profit and loss, 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.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### **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.

#### **g) Inventory:**

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.

Determination Cost of raw materials, packing materials and stores spares and consumables Stocks is determined so as to exclude from the cost, taxes and duties which are subsequently recoverable from the taxing authorities.

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.



## **h) Impairment of assets:**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if event or changes are indicative in circumstances indicate that they might be impaired. Assets that have a definite useful life are tested for impairment whenever events or changes in circumstances that indicate that the carrying amount may not be recoverable. Management periodically assesses using external and internal sources, whether there is an indication that an asset may be impaired. An Impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

## **i) Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, futures and currency options.

### **1. Financial assets**

#### **Classification**

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

#### **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### **Debt instruments**

- A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
  - a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit and loss.
- Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss.



### **Investments in subsidiaries, associates and joint venture**

- Investments in subsidiaries and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

### **Equity instruments**

- The Company subsequently measures all equity investments in companies/Mutual funds other than equity investments in subsidiaries, at fair value. Dividends from such investments are recognised in profit and loss as other income when the Company's right to receive payments is established.

### **De-recognition**

A financial asset derecognized only when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### **Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transaction that are within the scope of IND AS 18.- The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.



## **2. Financial liabilities**

### **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

### **Financial liabilities at fair value through profit and loss**

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit and loss.

### **Derecognition**

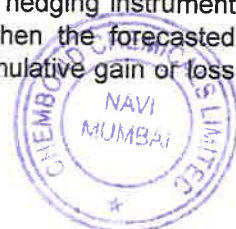
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such 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.

## **3. Hedge accounting**

Forward exchange contracts entered to hedge highly probable forecast revenues are recorded using the principles of hedge accounting as per Ind AS 109. Such forward exchange contracts which qualify for cash flow hedge accounting and where the conditions of Ind AS 109 have been met are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of the future cash flows are recognized directly under shareholder's funds in the cash flow hedging reserve and the ineffective portion is recognised immediately in the statement of profit and loss.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value of cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting is discontinued when the hedging instrument expires or is sold or terminated or exercised or no longer qualifies for hedge accounting. Cumulative gain or loss on the hedging instrument recognised in shareholder's funds is transferred to statement of profit and loss when the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholder's funds is transferred to the statement of profit and loss.





**j) Fair Value Measurement:**

The Company's measures Financial Instruments at fair value at each Balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, In the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

- All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**k) Foreign Currency and Translation balances:**

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.

**l) Trade Receivables:**

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

**m) 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.



## n) Income Taxes:

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 arises 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 extent 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.

## o) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown in current liabilities in the balance sheet.

## p) Employee Benefits

### 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 encashment of leave Balance.

**q) Research and Development**

Revenue expenditure on Research and Development is charged to Profit and Loss Account as incurred. Capital expenditure on assets acquired for Research and Development is added to PPE and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

**r) Borrowing Cost**

Borrowing costs, that are, attributable to the acquisition, construction or production of qualifying are capitalized as part of the costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**s) 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.

**t) Current / Non-Current Classification:**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification as per IND AS 1

An asset is treated as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realised within twelve months after the reporting period, or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- (i) It is expected to be settled in normal operating cycle.
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to be settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period





The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its normal operating cycle.

#### **u) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- (a) the Company has a present obligation as a result of a past event;
- (b) a probable outflow of resources is expected to settle the obligation; and
- (c) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of

- (a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- (b) a present obligation when no reliable estimate is possible; and
- (c) a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent Assets are neither recognised, nor disclosed.

Provision, Contingent Liabilities and Contingent Assets are reviewed at each balance Sheet date.

#### **v) Dividend**

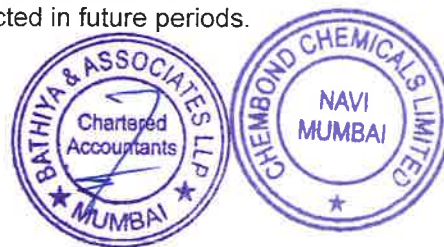
The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013 in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

#### **w) Segment**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

### **1.3 Key accounting estimates and judgements**

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.



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 instrument.

#### 1.4 Recent Accounting Pronouncements

(i) New and Amended Standards Adopted by the Company:

The Company has applied the following amendments for the first time for their annual reporting period commencing April 1, 2023 :

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments to Ind AS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

Ind AS 1 – Presentation of Financial Statements

The amendments to Ind AS 1 provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. This amendment do not have any material impact on the Company's financial statements and disclosures.

Ind AS 12 – Income Taxes

The amendments to Ind AS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The above amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(ii) New Standards/Amendments notified but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



2 Property, plant and equipment, intangibles and Capital work in progress as at 31st March 2024

Description Particulars	GROSS BLOCK (AT COST)			DEPRECIATION INCLUDING AMORTISATION			NET BLOCK	
	As at 1.04.2023	Additions	Disposal, Transfer & Adjustments	As at 31.03.2024	For the year	Disposal, Transfer & Adjustments	As at 31.03.2024	As at 31.03.2023
<b>Property, plant and equipment</b>								
<b>Tangible Assets</b>								
Leasehold Land	61.71	-	-	61.71	0.74	-	7.02	54.69
Freehold Land (Refer note ii)	89.15	-	-	89.15	-	-	-	89.15
Buildings (Refer note ii)	2,302.96	166.01	-	2,468.97	73.99	-	552.47	1,916.50
Plant & Equipment (Refer note i)	1,216.27	66.88	11.02	1,272.13	124.37	7.00	659.55	612.58
Computers	57.42	2.73	2.31	57.84	43.12	2.10	44.26	13.58
Furniture & Fixtures	178.16	-	-	178.16	12.61	-	127.06	51.11
Motor Cars	110.99	-	-	110.99	91.13	-	99.42	11.57
Electrical Installations & Equipment	187.71	12.20	0.10	199.81	102.40	0.06	119.51	80.30
<b>Sub-total</b>	<b>4204.38</b>	<b>247.83</b>	<b>13.43</b>	<b>4438.77</b>	<b>240.41</b>	<b>9.16</b>	<b>1609.29</b>	<b>2829.48</b>
<b>Other Intangible Assets</b>								
Computer Software	82.56	33.81	-	116.37	5.56	-	64.81	51.56
<b>Sub-total</b>	<b>82.56</b>	<b>33.81</b>	<b>-</b>	<b>116.37</b>	<b>5.56</b>	<b>0.00</b>	<b>64.81</b>	<b>51.56</b>
<b>Total</b>	<b>4286.93</b>	<b>281.64</b>	<b>13.43</b>	<b>4555.14</b>	<b>245.97</b>	<b>9.16</b>	<b>1674.10</b>	<b>2881.04</b>
<b>Previous Year</b>	<b>4570.77</b>	<b>62.73</b>	<b>346.56</b>	<b>4286.93</b>	<b>1358.27</b>	<b>164.86</b>	<b>1437.30</b>	<b>2849.64</b>
<b>Capital Work In Progress</b>	<b>703.04</b>	<b>683.46</b>	<b>199.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,186.85</b>

i) Additions to Plant & Equipment Includes:- R&D Laboratory equipments addition for Mahape Lab-1- Nil (Previous year Rs.Nil), Dudhwada Lab-2- Rs.Nil (Previous Year Rs.Nil) .  
ii) All Title Deeds pertaining to Land & Building are in the name of the company.

2 Property, plant and equipment, intangibles and Capital work in progress as at 31st March 2023

Description Particulars	GROSS BLOCK (AT COST)			DEPRECIATION INCLUDING AMORTISATION			NET BLOCK	
	As at 1.04.2022	Additions	Disposal, Transfer & Adjustments	As at 31.03.2023	For the year	Disposal, Transfer & Adjustments	As at 31.03.2023	As at 31.03.2022
<b>Property, plant and equipment</b>								
<b>Tangible Assets</b>								
Leasehold Land	61.71	-	-	61.71	0.90	-	6.28	55.43
Freehold Land (Refer note ii)	89.15	-	-	89.15	-	-	0.00	89.15
Buildings (Refer note ii)	2,330.28	15.92	43.24	2,302.96	71.75	3.88	478.48	1,824.48
Plant & Equipment (Refer note i)	1,466.49	38.79	289.01	1,216.27	571.95	151.99	542.19	674.08
Computers	58.29	4.69	5.56	57.42	45.89	2.41	43.12	14.30
Furniture & Fixtures	176.12	2.32	0.28	178.16	102.47	0.20	114.45	63.71
Motor Cars	110.99	-	-	110.99	77.87	-	91.13	19.87
Electrical Installations & Equipment	195.15	1.01	8.45	187.71	89.06	3.58	102.40	85.31
<b>Sub-total</b>	<b>4488.18</b>	<b>62.73</b>	<b>346.53</b>	<b>4204.37</b>	<b>239.64</b>	<b>164.83</b>	<b>1378.05</b>	<b>2826.33</b>
<b>Other Intangible Assets</b>								
Computer Software	82.59	-	0.03	82.56	4.23	0.02	59.25	23.31
<b>Sub-total</b>	<b>82.59</b>	<b>-</b>	<b>0.03</b>	<b>82.56</b>	<b>4.23</b>	<b>0.02</b>	<b>59.25</b>	<b>23.31</b>
<b>Total</b>	<b>4570.77</b>	<b>62.73</b>	<b>346.56</b>	<b>4286.93</b>	<b>243.87</b>	<b>164.86</b>	<b>1437.30</b>	<b>2849.64</b>
<b>Previous Year</b>	<b>4468.75</b>	<b>114.47</b>	<b>12.46</b>	<b>4570.75</b>	<b>1096.87</b>	<b>8.52</b>	<b>1358.28</b>	<b>3212.50</b>
<b>Capital Work In Progress</b>	<b>40.07</b>	<b>699.40</b>	<b>36.43</b>	<b>703.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>703.04</b>

i) Additions to Plant & Equipment Includes:- R&D Laboratory equipments addition for Mahape Lab-1- Nil (Previous year Rs.Nil), Dudhwada Lab-2- Rs.Nil (Previous Year Rs.0.05 Lacs).  
ii) All Title Deeds pertaining to Land & Building are in the name of the company.  
iii) Previous year figures have been regrouped and reclassified wherever necessary.



3 Financial Assets (Non-Current)		As at 31/03/2024	As at 31/03/2023
		(Rs. In Lakhs)	(Rs. In Lakhs)
<b>Investments</b>			
<b>Investment in equity instruments of subsidiaries at cost (Unquoted)</b>			
5,00,000 (PY-5,00,000) Equity Shares of Chembond Water Technologies Ltd of Rs.10/- each fully paid up. (Constituting 100.00%(100.00%) of the said Company's paid up capital)		4,887.86	4,887.86
15,15,000 (PY-15,15,000) Equity Shares of Chembond Material Technologies Pvt. Ltd of Rs.10/- each fully paid up (Constituting 100 %(100%) of the said Company's paid up capital)		2,039.08	2,039.08
19,00,000 (PY-19,00,000) Equity Shares of Chembond Biosciences Limited of Rs.10/- each fully paid up (Constituting 100 %(100.00%) of the said Company's paid up capital)		190.00	190.00
27,49,414 (PY-27,49,414) Equity Shares of Chembond Calvatis Industrial Hygiene Systems Limited of Rs.1/- each fully paid up (Constituting 55.00 %(55.00%) of the said Company's paid up capital)		32.39	32.39
4,000 (PY-4,000) Equity Shares of Phiroze Sethna Private Ltd. of Rs. 100/- each fully paid up. (Constituting 100.00%(100.00%) of the said Company's paid up capital)		4,126.90	4,126.90
5,00,000 (PY-5,00,000) Equity Shares of Chembond Distribution Ltd. Ltd of Rs. 1/- each fully paid up. (Constituting 100.00%(100.00%) of the said Company's paid up capital)		92.40	92.40
10,000 (PY- Nil) Equity Shares Chembond Chemical Specialties Limited of Rs. 5/- each fully paid. (Constituting 100.00% of the said Company's paid up capital)		0.50	-
<b>Investments in Equity Shares carried at fair value through Profit and Loss (Unquoted)</b>			
2,848 (PY-2,848) Equity Shares of Tarapur Environment Protection Organisation Ltd. of Rs. 100/- each fully paid up.		3.79	3.88
<b>(Quoted)</b>			
15,000 (PY-15,000) Equity Shares of Hindustan Petroleum Corporation Ltd.of Rs. 10/- each fully paid up.		71.35	35.52
<b>Investments in Gilt fund carried at fair value through Profit and Loss (Quoted)</b>			
1,00,991.79 (PY-1,00,991.79) Units of SBI Magnum Gilt Fund-Long Term Reg (G)		60.37	55.68
34,64,004.77 (PY-34,64,004.77) Units of ICICI Prudential Short Term Gilt Fund (G)		3,212.81	2,956.27
<b>Total</b>		<b>14,717.46</b>	<b>14,419.99</b>
Aggregate amount of Quoted Investments and market value there of		3,344.53	3,047.47
Aggregate amount of Unquoted Investments		11,372.93	11,372.52
Aggregate amount of Impairment in value of investment		-	-
<b>4 Other Non- Current Financial Assets</b>			
(Unsecured & considered good)			
Bank Depsits with more than 12 months maturity		7.41	1.01
Other Deposits		34.83	54.38
<b>Total</b>		<b>42.24</b>	<b>55.39</b>
<b>4 (a) Deferred Tax Assets (Net)</b>			
Deferred tax Liability			
Written Down Value of Property Plant & Equipment		366.28	-
Investments at Fair Value		182.23	-
<b>A</b>		<b>548.50</b>	<b>-</b>
Deferred tax Asset			
Gratuity		28.06	-
MAT Credit		499.87	-
Accrued expenses allowed in the year of payment		9.75	-
Provision for expected credit loss		31.49	-
<b>B</b>		<b>569.17</b>	<b>-</b>
<b>Net Deferred Tax Assets</b>		<b>20.66</b>	<b>-</b>





5 Income tax asset (net)		As at 31/03/2024 (Rs. In Lakhs)	As at 31/03/2023 (Rs. In Lakhs)
	Advance Income Tax (Net of Provision)	251.20	278.81
	<b>Total</b>	<b>251.20</b>	<b>278.81</b>
6 Other non-current assets		As at 31/03/2024 (Rs. In Lakhs)	As at 31/03/2023 (Rs. In Lakhs)
	Capital Advances	-	54.13
	Prepaid expenses	0.33	1.23
	<b>Total</b>	<b>0.33</b>	<b>55.36</b>
7 Inventories (At lower of Cost or Net Realisable Value)		As at 31/03/2024 (Rs. In Lakhs)	As at 31/03/2023 (Rs. In Lakhs)
	Raw Materials	161.83	179.81
	Packing Materials	25.33	25.57
	Finished Goods*	70.61	83.01
	Work In Progress	17.69	-
	Stock-in-Trade	-	12.36
	<b>Total</b>	<b>275.46</b>	<b>300.74</b>
	*Finished goods includes Stock in transit amounting to Rs.12.72 lakhs as at 31st March 2024 (Nil as at 31st March 2023)		
8 Investments (Current)		As at 31/03/2024 (Rs. In Lakhs)	As at 31/03/2023 (Rs. In Lakhs)
	<b>Investments in Mutual Funds carried at fair value through Profit and Loss</b>		
	NIL (PY- 49.542) UNITS OF RELIANCE LIQUID FUND -TREASURY PLAN - DAILY DIVIDEND	-	0.84
	10,53,730.58 (PY-14,06,855.73 ) UNITS OF AXIS – BLUECHIP FUND (G)	576.50	583.14
	3,34,828.427 (PY- 3,34,828.427) UNITS OF MIRAE ASSET INDIA EQUITY FUND REG (G)	320.40	256.65
	8,77,805.572 (PY-8,77,805.572) UNITS KOTAK GILT INVESTEMENT (G)	773.81	716.88
	NIL (PY- 12,538.668 ) ICICI PRUDENTIAL SAVINGS FUND (G)	-	57.36
	49,838 (PY-49,819.151) ICICI PRUDENTIAL EQUITY AND DEBT FUND (G)	166.89	117.62
	13,25,450.30 (PY- 6,77,992.742) HDFC SHORT TERM DEBT FUND- REGULAR GROWTH	183.31	181.63
	180,922.74 (PY- NIL) HDFC ULTRA SHORT TERM FUND - REG (G)	52.20	-
	<b>Total</b>	<b>2,073.11</b>	<b>1,914.13</b>
	Aggregate amount of Quoted Investments and Market Value thereof	2,073.11	1,914.13
9 Trade Receivables		As at 31/03/2024 (Rs. In Lakhs)	As at 31/03/2023 (Rs. In Lakhs)
	(a) Trade receivables considered good - Secured		
	(b) Trade receivables considered good - UnSecured		
	(i) Considered Good	1,907.48	2,310.50
	(ii) Credit Impaired	108.13	106.12
	<b>Total</b>	<b>2,015.60</b>	<b>2,416.62</b>
	(c) Trade Receivables which have significant increase in Credit Risk		
	Less : Impairment Loss Allowance (Refer Note 9 III)	(108.13)	(106.12)
	<b>Total</b>	<b>1,907.48</b>	<b>2,310.51</b>
	<b>I For Trade Receivable Ageing Schedule, refer Note No. 42</b>		
	<b>II For Related party transactions, Refer Note No.37</b>		
	<b>III Movement in Credit Impaired</b>		
	Provision at beginning of the year	106.12	98.87
	Add: Provision during the year	2.01	45.99
	Less: Reversal during the year	-	(38.74)
	<b>Provision at end of the year</b>	<b>108.13</b>	<b>106.12</b>



<b>10</b>	<b>Cash and Cash equivalents</b>	As at 31/03/2024 (Rs. In Lakhs)	As at 31/03/2023 (Rs. In Lakhs)
	Balances with banks		
	In Current accounts	222.22	88.03
	Cash on hand	2.27	1.78
	<b>Total</b>	<b>224.49</b>	<b>89.81</b>
<b>11</b>	<b>Bank balances other than cash and cash equivalents</b>	As at 31/03/2024 (Rs. In Lakhs)	As at 31/03/2023 (Rs. In Lakhs)
	Margin money (Including bank deposits with more than 3 months maturity)	791.82	751.61
	In Unpaid Dividend Accounts	16.51	16.64
	<b>Total</b>	<b>808.33</b>	<b>768.25</b>
<b>12</b>	<b>Loans</b> (Unsecured & considered good)	As at 31/03/2024 (Rs. In Lakhs)	As at 31/03/2023 (Rs. In Lakhs)
	Loan and advance to Employees	-	0.31
	Loans and advances to Related parties	1,070.00	1,240.00
	<b>Total</b>	<b>1,070.00</b>	<b>1,240.31</b>
	For related party transactions, Refer note No.37		
<b>13</b>	<b>Other Current Financial Assets</b> (Unsecured & considered good)	As at 31/03/2024 (Rs. In Lakhs)	As at 31/03/2023 (Rs. In Lakhs)
	Advance given for purchase of mutual fund units	-	50.00
	Security Deposits	59.75	41.65
	Deposit - Excise	-	2.17
	<b>Total</b>	<b>59.75</b>	<b>93.82</b>
<b>14</b>	<b>Other Current Assets</b>	As at 31/03/2024 (Rs. In Lakhs)	As at 31/03/2023 (Rs. In Lakhs)
	Prepaid expenses	46.46	46.42
	Advances for supply of goods and services	31.56	29.48
	Balance With Government authorities	8.36	34.87
	Advances to Employees	7.81	-
	Insurance Claim Receivable (Refer note, 48)	170.51	160.35
	<b>Total</b>	<b>264.69</b>	<b>271.11</b>
<b>15</b>	<b>Equity Share Capital</b>	As at 31/03/2024 (Rs. In Lakhs)	As at 31/03/2023 (Rs. In Lakhs)
	<b>Authorised</b> 2,00,00,000 (PY-2,00,00,000) Equity Shares of Rs.5/- each	1,000.00	1,000.00
	<b>Issued, Subscribed and Paid up</b> 134,48,288 (PY-134,48,288) Equity Shares of Rs.5/- each fully paid up	672.41	672.41
	<b>Total</b>	<b>672.41</b>	<b>672.41</b>
<b>a</b>	<b>Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year:</b>		
	Number of shares outstanding at the beginning of the year	13,448,288.00	13,448,288.00
	Additions during the year	-	-
	Number of shares outstanding at the end of the year	<b>13,448,288.00</b>	<b>13,448,288.00</b>
<b>b</b>	<b>Details of Shareholders holding more than 5% Shares</b>		

Name of the Shareholder	% Held	As at 31.03.2024	% Held	As at 31.03.2023
		No. of Shares		No. of Shares
Nirmal Vinod Shah	13.35%	1,795,090	13.35%	1,794,890
Sameer Vinod Shah	12.54%	1,686,844	12.54%	1,686,744
Padma Vinod Shah	12.57%	1,691,100	12.57%	1,691,000
Visan Holding & Financial Services Pvt. Ltd.	9.75%	1,310,630	9.75%	1,310,630



c **Disclosure of shareholding of Promoters**

Disclosure of shareholding of promoters as at March 31, 2024 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	Nirmal Vinod Shah	1,795,090	13.35%	0.001%
2	Sameer Vinod Shah	1,686,844	12.54%	0.001%
3	Ashwin Ratilal Nagarwadia	500,000	3.72%	0.00%
4	Shah Bhadresh	188,934	1.40%	0.00%
	<b>Total</b>	<b>4,170,868</b>	<b>31.01%</b>	

Disclosure of shareholding of promoters as at March 31, 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	Nirmal Vinod Shah	1,794,890	13.35%	0.31
2	Sameer Vinod Shah	1,686,744	12.54%	0.30
3	Ashwin Ratilal Nagarwadia	500,000	3.72%	-
4	Shah Bhadresh	188,934	1.40%	-
	<b>Total</b>	<b>4,170,568</b>	<b>31.01%</b>	

d **Terms and rights attached to Equity Shares**

The Company has only one class of Equity Shares having a par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

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)
<b>General Reserve</b>		
As per last year	630.00	630.00
Add: Transfer from Profit & Loss A/c.	-	-
	<u>630.00</u>	<u>630.00</u>
<b>Securities Premium</b>		
As per last year	613.05	613.05
Add: Received on Shares issued during the year	-	-
	<u>613.05</u>	<u>613.05</u>
<b>Retained Earnings</b>		
As per last year	22,296.64	22,573.12
Add: Profit for the Year	723.82	395.93
	<u>23,020.46</u>	<u>22,969.05</u>
Less: Appropriations		
Dividend Paid	(403.45)	(672.41)
	<u>22,617.01</u>	<u>22,296.64</u>
<b>Other Comprehensive Income (OCI)</b>		
Remeasurements of the net defined benefit Plans		
As per last year	(31.64)	12.68
Movement During the Year	(9.36)	(44.32)
	<u>(41.00)</u>	<u>(31.64)</u>
<b>Total</b>	<u>23,819.05</u>	<u>23,508.05</u>

**Nature and purpose :**

**General Reserve:**

General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit and loss.

**Securities Premium :**

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act , 2013.

**Retained Earnings:**

Retained Earnings are the profits of the Company earned till date net of appropriations.



		As at 31/03/2024 (Rs. In lakhs)	As at 31/03/2023 (Rs. In lakhs)
<b>17</b>	<b>Provisions</b>		
	<b>(a) Provision for employee benefits :</b>		
	Provision for Gratuity	80.15	63.05
	<b>Total</b>	<b>80.15</b>	<b>63.05</b>
<b>18</b>	<b>Deferred Tax Liability (Net)</b>		
	Deferred tax Liability		
	Written Down Value of Property Plant & Equipment Investments at Fair Value	-	380.22
		-	103.31
	<b>A</b>	-	483.54
	Deferred tax Asset		
	Gratuity	-	9.67
	MAT Credit	-	428.96
	Accrued expenses allowed in the year of payment	-	0.58
	Provision for expected credit loss	-	30.90
	<b>B</b>	-	470.12
	<b>Total (A-B)</b>	<b>-</b>	<b>13.42</b>
<b>19</b>	<b>Trade Payables</b>		
	Total Outstanding Dues of Micro and Small Enterprises	20.34	49.18
	Total Outstanding Dues of Creditors other than Micro and Small Enterprises	661.38	742.70
	<b>Total</b>	<b>681.73</b>	<b>791.88</b>
a	For Trade Payables Ageing Schedule refer Note No.43		
b	For Related party transaction Refer Note No.37		
	The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at the year end.		
c	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	20.34	49.18
	Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount	0.01	0.02
	Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	24.59
	Interest paid/adjusted to suppliers under MSMED Act, 2006 (other than interest paid/adjusted to suppliers under MSMED Act, 2006 (Section 16)	-	0.01
	Interest due and payable to suppliers under MSMED Act, 2006 for payments already made	-	-
	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	0.01	0.02
		0.01	0.02
	The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of declaration received from parties & information available with company. This has been relied upon by the Auditors.		
<b>20</b>	<b>Other Current Financial Liabilities</b>		
	Unclaimed Dividend *	16.51	16.64
	<b>Total</b>	<b>16.51</b>	<b>16.64</b>
	* Not due for Deposit to Investor Education and Protection Fund		
<b>21</b>	<b>Other Current Liabilities</b>		
	Statutory Dues	18.23	80.18
	Employee Benefits Payable	219.91	121.24
	Creditors for Capital Expenditure	-	14.54
	Others (Including advance received from customers & Insurance claim)	258.87	54.46
	<b>Total</b>	<b>497.01</b>	<b>270.42</b>
<b>22</b>	<b>Provisions</b>		
	<b>(a) Provision for employee benefits:</b>		
	Provision for Gratuity	16.22	15.04
	<b>Total</b>	<b>16.22</b>	<b>15.04</b>





	2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
<b>23 Revenue from Operations</b>		
Sale of Goods	5,022.58	4,798.14
Sale of Services	1.58	3.27
Other Operating revenue		
Management Services Charges from Related Party (For Related party transaction Refer Note No.37)	200.00	246.27
Miscellaneous Income	35.41	38.77
<b>Total</b>	<b>5,259.57</b>	<b>5,086.45</b>
<b>24 Other Income</b>		
Dividend from Subsidiary Company	200.00	90.00
Dividend from Equity Investments	2.25	1.89
Dividend from Mutual Funds	0.05	-
Net gain on Sale of investments through profit & loss	202.30	91.89
Interest from Bank deposits at Effective Interest Rate	68.53	151.82
Interest from Loans at Effective Interest Rate	53.46	23.65
Rent (Gross)	100.99	155.67
Profit on Sale of Property Plant & Equipment	93.35	81.53
Bad Debts Recovered	0.01	0.08
Credit Balances Written back	13.12	9.54
Net gain on Fair valuation of Investments	38.14	-
Corporate Gurantee Fee	571.15	5.44
	23.06	21.73
<b>Total</b>	<b>1,164.11</b>	<b>541.35</b>
<b>25 Cost of materials consumed</b>		
Raw Materials Consumed	1,778.47	1,577.43
Packing Material Consumed	240.86	211.75
<b>Total</b>	<b>2,019.33</b>	<b>1,789.18</b>
<b>26 Purchases of stock-in-trade</b>		
Purchases of Stock-in-trade	529.95	829.70
<b>Total</b>	<b>529.95</b>	<b>829.70</b>
<b>27 Changes in inventory of Finished goods, Work in progress and Stock in trade</b>		
(a) Finished goods/ Stock in Trade/ Work In Progress (At Close)		
Finished goods	70.61	59.91
Work In Progress	17.69	23.16
Stock in Trade	-	12.36
<b>Total</b>	<b>88.30</b>	<b>95.43</b>
(b) Finished goods/ Stock in Trade/ Work In Progress (At commencement)		
Finished goods	59.91	79.74
Work In Progress	23.16	5.44
Stock in Trade	12.36	24.03
<b>Total</b>	<b>95.43</b>	<b>109.21</b>
<b>Total</b>	<b>7.13</b>	<b>13.78</b>
<b>28 Employee benefit expenses</b>		
Director Remuneration	202.10	118.61
Salaries & Wages	671.81	590.38
Contribution to Provident & other funds	79.39	66.03
Staff Welfare Expenses	74.66	50.18
<b>Total</b>	<b>1,027.96</b>	<b>825.21</b>
<b>29 Finance Cost</b>		
(a)Interest Expense at effective interest rate		
- Banks	1.99	1.81
- MSMED	0.01	0.02
- Others	1.65	0.21
(b) Other borrowing costs		
- Bank Guarantee fees & charges	3.65	4.44
<b>Total</b>	<b>7.30</b>	<b>6.48</b>



30 Depreciation and Amortisation expenses		2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
Depreciation and Amortisation Expenses		245.97	243.87
<b>Total</b>		<b>245.97</b>	<b>243.87</b>
31 Other Expenses		2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
<b>Manufacturing Expenses</b>			
Consumable stores		21.51	24.00
Power, Fuel & Water Charges		37.21	65.89
Research and Development (see note 'a' below)		65.47	71.83
Laboratory Expenses		1.60	1.88
Repairs and Renewals to Plant & Machinery		19.89	15.44
Labour Charges		358.39	284.54
Security Expenses		74.89	62.13
Factory Maintenance		53.02	29.36
<b>A</b>		<b>631.99</b>	<b>555.07</b>
<b>Administrative Expenses</b>			
Directors' Sitting Fees		17.60	13.60
Rates & Taxes		23.01	18.25
Electricity charges		70.26	42.44
Printing and stationary		7.64	7.47
Telephone & Postage Expenses		16.22	7.73
Insurance		52.71	27.76
Motor car expenses		38.22	18.75
Auditors Remuneration (see note 'b' below)		19.36	17.63
Legal, Professional & consultancy fees		167.94	198.20
Repairs & Maintenance Buildings		-	0.27
Repairs & Maintenance Others		180.14	160.28
Miscellaneous expenses		57.96	30.62
Donation		0.12	0.34
CSR Expenditure		13.98	10.17
Sales Tax & Other Taxes		-	1.36
Loss by fire		-	8.92
Input GST Reversed		33.29	3.74
Net loss on Foreign Exchange Fluctuation		8.67	18.35
Provision for Expected credit loss on trade receivables		2.01	45.99
Bad Debts Written Off		61.80	-
<b>B</b>		<b>770.93</b>	<b>631.88</b>
<b>Selling and Distribution Expenses</b>			
Carriage outwards		150.09	136.34
Rent		11.80	13.40
Commission on sales		30.76	33.80
Travelling Expenses		56.32	45.97
Conveyance expenses		25.13	23.02
Royalty Expenses		14.32	12.83
Advertising & Publicity Expenses		1.25	1.64
Packing Expenses		7.65	7.07
Sales Promotion Expenses		2.56	3.17
<b>C</b>		<b>299.88</b>	<b>277.24</b>
<b>Total (A+B+C)</b>		<b>1,702.80</b>	<b>1,464.19</b>
a Research and Development Expenses:		2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
Resarch and Development Laboratory Mahape		65.47	71.83
<b>Total</b>		<b>65.47</b>	<b>71.83</b>
b Auditor's Remuneration consists of:		2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
Statutory Audit Fees		19.30	17.52
Taxation and Other Matters		0.06	0.11
<b>Total</b>		<b>19.36</b>	<b>17.63</b>



**c 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. 13.37lakhs. (Previous Year 10.17 Lakhs)
- Amount spent during the year is Rs. 13.98 lakhs (Previous Year 10.17 Lakhs)

**Details of corporate social responsibility expenditure**

- a) Amount required to be spent by the company during the year
- b) Amount of expenditure incurred
  - (i) Construction / acquisition of any asset
  - (ii) On purpose other than (i) and above
- c) Shortfall at the end of the year
- d) Total of previous years shortfall
- e) Reason for shortfall

	2023-2024 (Rs. In lakhs)	2022-2023 (Rs. In lakhs)
	13.37	10.17
	-	-
	13.98	10.17
	-	-
	-	-

- f) Nature of CSR activities

Prime Minister's  
Promotion of Child Citizen Assistance and  
Education Relief in Emergency  
Situations Fund

- g) Details of related party transactions

Refer Note 37

- h) Where a provision is made with respect to a liability incurred by entering into a contractual the year shall be shown separately.

**d Lease**

The Company normally acquires offices, warehouses and vehicles under non-cancellable operational leases. Minimum lease payments outstanding at year end in respect of these assets are as under:

Company As a Lessee

	Total Minimum Lease Payment Outstanding as on 31/03/2024 (Rs. In lakhs)	Total Minimum Lease Payment Outstanding as on 31/03/2023 (Rs. In lakhs)
Due within one year	5.50	23.45
Due later than one year and not later than five years	-	-
Due later than five years	-	-
Lease payments recognised in the Statement of Profit & Loss	11.80	13.40

Company As a Lessor

	Total Minimum Lease Payment Outstanding as on 31/03/2024 (Rs. In lakhs)	Total Minimum Lease Payment Outstanding as on 31/03/2023 (Rs. In lakhs)
Due within one year	33.47	36.69
Due later than one year and not later than five years	-	-
Due later than five years	-	-
Lease receipts recognised in the Statement of Profit & Loss	93.35	81.53

**32 EARNINGS PER SHARE**

	2023-2024	2022-2023
Net Profit available to Equity Shareholders (Rs. In Lakhs)	723.82	395.93
Total number of Equity Shares (Face value of Rs. 5/- each fully paid up)	13,448,288	13,448,288
Weighted No. of Equity Shares	13,448,288	13,448,288
Basic Earnings per Share (in Rupees)	5.38	2.94
Diluted No. of Equity Shares	13,448,288	13,448,288
Diluted Earnings per Share (in Rupees)	5.38	2.94

**33 EARNINGS IN FOREIGN EXCHANGE**

Export of Goods on FOB Basis  
Commission

	2023-2024	2022-2023
	-	-
	-	-
Total	-	-

**34 Segment Reporting**

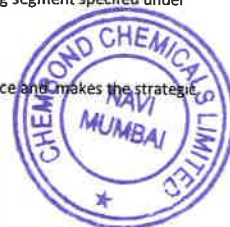
The Company is engaged in the manufacture, Trading and providing services of Specialty Chemicals, which in the context of IND AS 108- Operating segment specified under section

133 of the Companies Act, 2013 is considered as a single business segment of the company.

Operating segment are reported in a manner consistent with internal report provided to chief operating decision maker.

The Board of Directors of the company has been identified as chief operating decision maker which reviews and assesses the financial performance and makes the strategic decision.

Revenue from single External customer is Not in excess of 10% of the Total revenue for the year.



35 Financial instruments – Fair values and risk management  
A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	As at 31 March 2024							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Cash and cash equivalents (Including other bank balances)	-	-	1,032.82	1,032.82	-	-	-	-
Investments								
-Investments in Equity shares of subsidiaries (Unquoted)			11,369.14	11,369.14				
- Mutual Funds	5,346.29	-	-	5,346.29	5,346.29	-	-	5,346.29
- Equity Shares (Quoted)	71.35	-	-	71.35	71.35	-	-	71.35
- Equity Shares (Unquoted)	3.79	-	-	3.79	-	-	3.79	3.79
- Preference shares, NCD and bonds	-	-	-	-	-	-	-	-
Trade and other receivables	-	-	1,907.48	1,907.48	-	-	-	-
Loans	-	-	1,070.00	1,070.00	-	-	-	-
Other financial assets	-	-	101.98	101.98	-	-	-	-
<b>TOTAL</b>	<b>5,421.44</b>	<b>-</b>	<b>15,481.42</b>	<b>20,902.86</b>	<b>5,417.64</b>	<b>-</b>	<b>3.79</b>	<b>5,421.44</b>
<b>Financial liabilities</b>								
Long term borrowings (Including current maturity of Long term borrowings)	-	-	-	-	-	-	-	-
Short term borrowings	-	-	-	-	-	-	-	-
Trade and other payables	-	-	681.73	681.73	-	-	-	-
Other financial liabilities	-	-	16.51	16.51	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>698.24</b>	<b>698.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	As at 31 March 2023							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Cash and cash equivalents (Including other bank balances)	-	-	858.05	858.05	-	-	-	-
Investments								
-Investments in Equity shares of subsidiaries (Unquoted)			11,368.64	11,368.64				
- Mutual Funds	4,926.08	-	-	4,926.08	4,926.08	-	-	4,926.08
- Equity Shares (Quoted)	35.52	-	-	35.52	35.52	-	-	35.52
- Equity Shares (Unquoted)	3.88	-	-	3.88	-	-	3.88	3.88
- Preference shares, NCD and bonds	-	-	-	-	-	-	-	-
Trade and other receivables	-	-	2,310.51	2,310.51	-	-	-	-
Loans	-	-	1,240.31	1,240.31	-	-	-	-
Other financial assets	-	-	149.21	149.21	-	-	-	-
<b>TOTAL</b>	<b>4,965.48</b>	<b>-</b>	<b>15,926.71</b>	<b>20,892.19</b>	<b>4,961.60</b>	<b>-</b>	<b>3.88</b>	<b>4,965.48</b>
<b>Financial liabilities</b>								
Long term borrowings (Including current maturity of Long term borrowings)	-	-	-	-	-	-	-	-
Short term borrowings	-	-	-	-	-	-	-	-
Trade and other payables	-	-	791.88	791.88	-	-	-	-
Other financial liabilities	-	-	16.64	16.64	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>808.52</b>	<b>808.52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Fair values for financial instruments carried at amortised cost approximates the carrying amount, accordingly the fair values of such financial assets and financial liabilities have not been disclosed separately.

**B. Measurement of fair values**

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 107 are

Level 1: Hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. e.g. unlisted equity securities.

**Transfers between Levels**

There are no transfers between the levels

**C. 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 set forth 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 based on expected credit loss model 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

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.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility. Accordingly, liquidity risk is perceived to be low.

The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

(Rs. In Lakhs)					
Sr No	As at 31st March, 2024	Notes	Carrying Values	Less than 12 Months	More than 12 Months
1	Trade payables	19	681.73	681.73	-
2	Other Financials Liability	20	16.51	16.51	-
3	Other Current Liabilities	21	497.01	497.01	-
	<b>TOTAL</b>		<b>1,195.25</b>	<b>1,195.25</b>	-

(Rs. In Lakhs)					
Sr No	As at 31st March, 2023	Notes	Carrying Values	Less than 12 Months	More than 12 Months
1	Trade payables	19	791.88	791.88	-
2	Other Financials Liability	20	16.64	16.64	-
3	Other Current Liabilities	21	270.42	270.42	-
	<b>TOTAL</b>		<b>1,078.94</b>	<b>1,078.94</b>	-

## 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 Company 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). The currencies in which these transactions are primarily denominated are EURO and USD.

#### Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

- a) The Company has entered into forward contracts to hedge the foreign currency risks arising from amounts designated in foreign currency. The counter party to such forward contract is a bank. Forward contracts outstanding at the year end are:

Currency	Exposure to buy/sell	(In Lakhs)		(In Lakhs)	
		As at 31/03/2024		As at 31/03/2023	
		Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
USD	Buy	-	-	-	-

- b) Foreign Currency Exposures at the year end not hedged by derivative instruments:

Currency		(In Lakhs)		(In Lakhs)	
		As at 31/03/2024		As at 31/03/2023	
		Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
US Dollars	Liability	0.96	80.55	0.19	15.50
Euro	Liability	-	-	0.00	0.36
US Dollars	Asset	-	-	0.19	15.53

### 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 various tenors depending on the liquidity needs of the Company. The Company's exposures to interest rate risk is not significant.



### 36 Employee Benefit obligations

#### (A) Defined contribution plan

Contributions are made to Employee Provident Fund (EPF), 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, is as detailed below.

Particulars	(Rs. In Lakhs)	
	Year ended 31-Mar-24	Year ended 31-Mar-23
Contribution to Provident Fund	50.39	40.82
Contribution to Superannuation Fund	8.43	5.70
Contribution to ESIC	0.86	0.82
Contribution to Labour Welfare Fund	0.07	0.06
	59.55	47.40

#### (B) 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 Actuarial Valuation are as follows:

	(Rs. In Lakhs)	
	As at 31 March 2024	As at 31 March 2023
	<b>(Funded plan)</b>	
<b>(i) Change in Defined Benefit Obligation</b>		
Opening defined benefit obligation	216.58	155.24
Amount recognised in profit and loss		
Transfer in/(out) obligation	-	15.24
Current service cost	13.98	15.63
Interest cost	16.17	10.49
Amount recognised in other comprehensive income		
Actuarial loss / (gain) arising from:		
Return on Plan Assets		
Financial assumptions	11.11	46.88
Other		
Benefits paid	(19.37)	(26.90)
Closing defined benefit obligation	238.47	216.58
<b>(ii) Change in Fair Value of Assets</b>		
Opening fair value of plan assets	138.49	127.15
Amount recognised in profit and loss		
Transfer in/(out) obligation	-	15.24
Interest income	10.31	8.58
Amount recognised in other comprehensive income		
Actuarial gain / (loss)		
Return on Plan Assets, Excluding Interest Income	(0.23)	(7.34)
Other		
Contributions by employer	12.90	21.76
Equitable fund transfer out	-	-
Benefits paid	(19.37)	(26.90)
Closing fair value of plan assets	142.10	138.49
Actual return on Plan Assets	10.08	1.24
<b>(iii) Plan assets comprise the following</b>		
Insurance fund (100%) (The Company has this investment in Group Gratuity Policy with LIC. The details of further investment by LIC is not available with the Company.)	Unquoted 142.10	Unquoted 138.49
<b>(iv) Principal actuarial assumptions used</b>	%	%
Discount rate	7.25	7.50
Withdrawal Rate	1.00	1.00
Future Salary Increase	5.00	5.00
<b>(v) Amount recognised in the Balance Sheet</b>	As at 31st March, 2024	As at 31st March, 2023
Present value of obligations as at year end	238.47	216.58
Fair value of plan assets as at year end	142.10	138.49
Net (asset) / liability recognised as at year end	96.37	78.09
Recognised under :		
Short term provisions	16.22	15.04
Long term provisions	80.15	63.05
	96.37	78.09



(vi) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would

	As at 31st March, 2024		As at 31st March, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate 1%/(0.5%) movement - Gratuity	(5.80)	6.70	(5.90)	6.80
Future salary growth 1%/(0.5%) movement - Gratuity	6.80	(6.00)	6.80	(6.00)

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no

(vii) Expected future cash flows

(Rs. in lakhs)

The expected maturity analysis is as follows :	For year ended	
	31.3.2024	31.3.2023
Expected benefits for year 1	74.17	74.69
Expected benefits for year 2	3.07	3.90
Expected benefits for year 3	16.81	2.86
Expected benefits for year 4	8.67	16.06
Expected benefits for year 5	23.93	9.73
Expected benefits for year 6 and above	109.18	102.82



**CHEMBOND CHEMICALS LTD**

**37 RELATED PARTY DISCLOSURES**

Related party disclosures as required under Accounting Standard on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below:

**a) Relationship:**

**i. Subsidiary Companies:**

Chembond Water Technologies Ltd., Chembond Material Technologies Pvt Ltd , Chembond Biosciences Limited, Chembond Calvatis Industrial Hygiene Systems Ltd.,Phiroze Sethna Pvt Ltd,Chembond Distribution Ltd., Chembond Chemical Specialties Limited.

**ii. Step down Subsidiary and Associate**

Gramos Chemicals India Private Limited, Chembond Clean Water Technologies Limited, Chembond Water Technologies (Malaysia) SDN. BHD. and Chembond Water Technologies (Thailand) Co. Limited, Rewasoft Solutions Private Limited.

**iii. Key Management Personnel and their relatives (KMP)**

Key Management Personnel:

Sameer V. Shah, Nirmal V. Shah, Ashwin R. Nagarwadia, Bhadrish D. Shah, Mahendra K. Ghelani, Sushil U. Lakhani, Dr. Prakash Trivedi, Saraswati Sankar.

Padma V. Shah, Dr. Shilpa S. Shah, Mamta N. Shah, Alpna S. Shah, Jyoti N. Mehta, Amrita S. B'Durga, Malika S. Shah, Kshitija N. Shah, Raunaq S. Shah, Rahil N. Shah.

**iv. Entities over which Key Management personnel are able to exercise influence :**

CCL Opto Electronics Pvt Ltd., Finor Piplaj Chemicals Ltd., S and N Ventures Private Ltd., Visan Holdings Pvt Ltd and Oriano Clean Energy Pvt Ltd., Visan Trust

(₹. In lakhs)

For the year ended / as on Description of the nature of transactions	31.03.2024				31.03.2023			
	Subsidiary	Associates	KMP	Total	Subsidiary	Associates	KMP	Total
<b>Sales of Goods</b>	<b>1,128.92</b>	-	<b>2.09</b>	<b>1,131.01</b>	<b>1,298.62</b>	-	<b>3.67</b>	<b>1,302.30</b>
Chembond Water Technologies Ltd	344.45	-	-	344.45	230.24	-	-	230.24
Chembond Material Technologies Pvt Ltd	534.25	-	-	534.25	635.72	-	-	635.72
Chembond Clean Water Technologies Ltd	3.34	-	-	3.34	0.18	-	-	0.18
Chembond Calvatis Industrial Hygiene Systems Ltd	103.43	-	-	103.43	191.64	-	-	191.64
Chembond Distribution Ltd	22.99	-	-	22.99	90.90	-	-	90.90
Finor Piplaj Chemicals Ltd.	-	-	2.09	-	-	-	3.67	3.67
Chembond Biosciences LTD	120.46	-	-	120.46	149.73	-	-	149.73
Gramos Chemicals India Private Limited	-	-	-	-	0.22	-	-	0.22
<b>Purchase of Goods</b>	<b>460.71</b>	-	<b>340.88</b>	<b>801.59</b>	<b>724.67</b>	-	<b>238.49</b>	<b>963.16</b>
Chembond Water Technologies Ltd	90.29	-	-	90.29	108.97	-	-	108.97
Chembond Material Technologies Pvt Ltd	169.96	-	-	169.96	212.42	-	-	212.42
Chembond Clean Water Technologies Ltd	1.77	-	-	1.77	0.19	-	-	0.19
Chembond Biosciences Ltd	6.05	-	-	6.05	157.30	-	-	157.30
Chembond Distribution Ltd	192.65	-	-	192.65	245.69	-	-	245.69
Finor Piplaj Chemicals Ltd.	-	-	340.88	340.88	-	-	238.49	238.49
Phiroze Sethna Pvt Ltd	-	-	-	-	0.03	-	-	0.03
Gramos Chemicals India Private Ltd	-	-	-	-	0.07	-	-	0.07
<b>Purchase of Fixed Assets</b>	-	-	-	-	<b>2.31</b>	-	-	<b>2.31</b>
Phiroze Sethna Pvt Ltd	-	-	-	-	2.31	-	-	2.31
<b>Sale of Fixed Assets</b>	<b>1.70</b>	-	<b>0.72</b>	<b>2.42</b>	<b>6.86</b>	-	<b>4.75</b>	<b>11.61</b>
Finor Piplaj Chemicals Ltd.	-	-	0.72	0.72	-	-	4.75	4.75
Gramos Chemicals India Private Ltd	1.70	-	-	1.70	6.86	-	-	6.86
<b>Rent Income</b>	<b>84.06</b>	-	<b>18.00</b>	<b>102.07</b>	<b>69.52</b>	-	<b>12.01</b>	<b>81.53</b>
Chembond Water Technologies Ltd	63.54	-	-	63.54	63.54	-	-	63.54
Chembond Clean Water Technologies Ltd	4.50	-	-	4.50	4.50	-	-	4.50
Chembond Material Technologies Pvt Ltd	15.30	-	-	15.30	1.02	-	-	1.02
Chembond Distribution Ltd	0.24	-	-	0.24	0.24	-	-	0.24
Gramos Chemicals India Private Ltd	0.24	-	-	0.24	0.11	-	-	0.11
Phiroze Sethna Pvt Ltd	0.24	-	-	0.24	0.11	-	-	0.11
Finor Piplaj Chemicals Ltd.	-	-	3.00	3.00	-	-	3.00	3.00
Oriano Clean Energy Pvt Ltd	-	-	15.00	15.00	-	-	9.01	9.01
<b>SubContract Receipt (Revenue)</b>	<b>1,354.12</b>	-	-	<b>1,354.12</b>	<b>1,310.34</b>	-	-	<b>1,310.34</b>
Chembond Water Technologies Ltd	783.85	-	-	783.85	847.66	-	-	847.66
Chembond Material Technologies Pvt Ltd	486.21	-	-	486.21	402.00	-	-	402.00
Chembond Biosciences Ltd	84.06	-	-	84.06	60.68	-	-	60.68
<b>Service Charges(BSS) Income</b>	<b>200.00</b>	-	-	<b>200.00</b>	<b>246.27</b>	-	-	<b>246.27</b>
Chembond Water Technologies Ltd	200.00	-	-	200.00	246.27	-	-	246.27
<b>Corporate Gurantee Fees Income</b>	<b>23.06</b>	-	-	<b>23.06</b>	<b>21.73</b>	-	-	<b>21.73</b>
Chembond Water Technologies Ltd	21.56	-	-	21.56	20.23	-	-	20.23
Chembond Clean Water Technologies Ltd	1.50	-	-	1.50	1.50	-	-	1.50
<b>Dividend Income</b>	<b>200.00</b>	-	-	<b>200.00</b>	<b>90.00</b>	-	-	<b>90.00</b>
Chembond Water Technologies Ltd	200.00	-	-	200.00	90.00	-	-	90.00
<b>Interest Income</b>	<b>100.99</b>	-	-	<b>100.99</b>	<b>155.67</b>	-	-	<b>155.67</b>
Chembond Material Technologies Pvt Ltd	97.21	-	-	97.21	115.62	-	-	115.62
Chembond Biosciences Ltd	0.02	-	-	0.02	31.94	-	-	31.94
Phiroze Sethna Pvt Ltd	3.75	-	-	3.75	8.10	-	-	8.10
<b>Rental Expenses</b>	-	-	<b>6.00</b>	<b>6.00</b>	-	-	<b>11.45</b>	<b>11.45</b>
Finor Piplaj Chemicals Ltd.	-	-	6.00	6.00	-	-	11.45	11.45
<b>Director Remuneration*</b>	-	-	<b>207.04</b>	<b>207.04</b>	-	-	<b>134.07</b>	<b>134.07</b>
Sameer V .Shah	-	-	126.02	126.02	-	-	86.82	86.82
Nirmal V. Shah	-	-	81.02	81.02	-	-	47.25	47.25





For the year ended / as on Description of the nature of transactions	31.03.2024				31.03.2023			
	Subsidiary	Associates	KMP	Total	Subsidiary	Associates	KMP	Total
<b>Director Sitting Fees</b>	-	-	16.60	16.60	-	-	12.98	12.98
Ashwin Nagarwadia	-	-	4.50	4.50	-	-	3.50	3.50
Mahendra Ghelani	-	-	3.80	3.80	-	-	3.38	3.38
Sushil Lakhani	-	-	3.50	3.50	-	-	3.00	3.00
Saraswati Sankar	-	-	1.90	1.90	-	-	1.35	1.35
Dr.Prakash Trivedi	-	-	2.90	2.90	-	-	1.75	1.75
<b>Professional &amp; Consulting Fees</b>	-	-	-	35.74	-	-	27.78	27.78
Bhadresh D. Shah	-	-	-	35.74	-	-	27.78	27.78
<b>CSR Expenditure</b>	-	-	13.98	-	-	-	-	-
Visan Trust	-	-	13.98	-	-	-	-	-
<b>Royalty</b>	-	-	14.32	14.32	-	-	12.83	12.83
S and N Ventures Pvt Ltd	-	-	14.32	14.32	-	-	12.83	12.83
<b>Balance at the end of the year</b>	-	-	-	-	-	-	-	-
<b>A. Loans Given</b>	1,175.00	-	-	1,175.00	1,240.00	-	-	1,240.00
Chembond Material Technologies Pvt Ltd	1,070.00	-	-	1,070.00	1,150.00	-	-	1,150.00
Chembond Biosciences Ltd	25.00	-	-	25.00	-	-	-	-
Phiroze Sethna Pvt Ltd	80.00	-	-	80.00	90.00	-	-	90.00
<b>B. Loans Repaid By</b>	275.00	-	-	275.00	65.00	-	-	65.00
Chembond Material Technologies Pvt Ltd	80.00	-	-	80.00	65.00	-	-	65.00
Chembond Biosciences Ltd	25.00	-	-	25.00	-	-	-	-
Phiroze Sethna Pvt Ltd	170.00	-	-	170.00	-	-	-	-
<b>B. Sundry Debtors</b>	1,143.09	-	13.28	1,156.37	1,549.22	-	1.31	1,550.53
Chembond Water Technologies Ltd	262.96	-	-	262.96	170.73	-	-	170.73
Chembond Clean Water Technologies Ltd	2.78	-	-	2.78	3.96	-	-	3.96
Chembond Distribution Ltd	17.90	-	-	17.90	0.24	-	-	0.24
Chembond Calvatis Industrial Hygiene Systems Ltd	20.47	-	-	20.47	10.97	-	-	10.97
Chembond Material Technologies Pvt Ltd	361.04	-	-	361.04	880.93	-	-	880.93
Chembond Chemical Specialties Limited	0.30	-	-	0.30	-	-	-	-
Chembond Biosciences Ltd	473.34	-	-	473.34	411.27	-	-	411.27
Phiroze Sethna Pvt Ltd	3.80	-	-	3.80	70.76	-	-	70.76
Gramos Chemicals India Private Ltd	0.50	-	-	0.50	0.37	-	-	0.37
Finor Piplaj Chemicals Ltd.	-	-	11.01	11.01	-	-	-	-
Oriano Clean Energy Pvt Ltd	-	-	2.27	2.27	-	-	1.31	1.31
<b>C. Sundry Creditors</b>	52.38	-	62.12	114.50	90.46	-	48.94	114.03
Chembond Water Technologies Ltd	10.33	-	-	10.33	10.77	-	-	10.77
Chembond Material Technologies Pvt Ltd	-	-	-	-	24.81	-	-	-
Chembond Biosciences Ltd	-	-	-	-	0.57	-	-	-
Chembond Clean Water Technologies Ltd	2.09	-	-	2.09	-	-	-	-
Finor Piplaj Chemicals Ltd.	-	-	62.12	62.12	-	-	48.94	48.94
Chembond Distribution Ltd	39.97	-	-	39.97	54.31	-	-	54.31
<b>D. Investments</b>	11,369.14	-	-	11,369.14	11,368.64	-	-	11,368.64
Chembond Water Technologies Ltd	4,887.86	-	-	4,887.86	4,887.86	-	-	4,887.86
Chembond Material Technologies Pvt Ltd	2,039.08	-	-	2,039.08	2,039.08	-	-	2,039.08
Chembond Biosciences Ltd	190.00	-	-	190.00	190.00	-	-	190.00
Chembond Calvatis Industrial Hygiene Systems Ltd	32.39	-	-	32.39	32.39	-	-	32.39
Chembond Distribution Ltd	92.40	-	-	92.40	92.40	-	-	92.40
Chembond Chemical Specialties Limited	0.50	-	-	0.50	-	-	-	-
Phiroze Sethna Pvt Ltd	4,126.90	-	-	4,126.90	4,126.90	-	-	4,126.90

\*The gratuity amount for directors is not ascertainable.



**38 Capital Management**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at 31st March, 2024, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

(Refer Note. 41 for Debt/Equity ratio)

**39 Tax Reconciliation**

2023-2024	2022-2023
(Rs. In lakhs)	(Rs. In lakhs)

(a) The income tax expense consists of the followings:

Particulars

Current Income Tax

155.30

130.08

Short/(Excess) Provision of tax of earlier years

36.22

3.81

Deferred Tax Expense

(32.10)

(74.45)

**Tax expense for the year**

**159.42**

**59.44**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax Rate

Profit before income tax expense

883.23

455.37

Indian statutory income tax rate (MAT)

17.47%

27.82%

Expected Income Tax expenses

154.32

126.69

Part A

Tax effect of amounts which are not deductible (allowable) in calculating taxable income:

Income exempt from income taxes

-

-

Additional allowances/deduction

33.69

(57.82)

Transition gain

-

-

Short/Excess Provision

36.22

3.81

Others

121.61

61.21

**Current Tax (A)**

**191.52**

**133.89**

Part B

Deferred Tax Effect at the rate of:

Depreciation

0.29

0.29

Investments at Fair Value

(13.95)

(62.39)

Gratuity

78.91

0.59

MAT Credit

18.39

1.34

Accrued expenses allowed in the year of payment

70.91

8.84

Provision for expected credit loss

7.18

0.35

**Deferred Tax (B)**

**0.58**

**2.11**

**(32.10)**

**(74.45)**

**Tax Expense (A+B)**

**159.42**

**59.44**

**40 Contingent Liabilities and Commitments (To the extent not provided for) :**

Particulars

As at 31/03/2024	As at 31/03/2023
(Rs. In lakhs)	(Rs. In lakhs)

**A) Contingent Liabilities not provided for :**

a) Claims against the company not acknowledged as debts -

i) Income Tax matter under Appeal

14.61

15.46

ii) TDS Default

1.85

1.06

iii) Service tax due as per final audit report and show cause notice\*\*

259.42

265.71

iv) Income tax demands pending for rectification

32.39

98.35

v) Davendra Feeds India Private Limited has lodged. F.I.R dated 24th June, 2022 with police station Safidon District Jind Haryana against Chembond Chemicals Limited, Mr Sameer Shah (Chairman & Managing Director) and 3 other current & ex-employees, with respect to damage caused by inferior quality of Products. The Company has disclaimed liability and is defending the action. It is not practical to estimate the potential effect of this claim, as the matter is being currently considered by the Competent Authorities and Courts.

b) Counter Guarantees given by Company for Bank Guarantees issued -

i) Corporate Guarantee given to Banks by the Company on behalf of Subsidiaries Chembond Water Technologies Ltd. & Step Subsidiary Chembond Clean Water Technologies Ltd.

2,550.00

2,550.00

**B) Capital Commitments**

Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)



**NOTE : 41**

(Rs. in lakhs except otherwise stated)			
Financial Ratios	2023-2024	2022-2023	Variance
<b>(a) Current Ratio</b>			
Current Assets(A)	6,683.31	6,988.68	
Current Liabilities(B)	1,211.47	1,093.98	
<b>Current Ratio( A/B)</b>	<b>5.52</b>	<b>6.39</b>	<b>-13.64%</b>
<b>(b) Debt-Equity Ratio</b>			
Total Borrowings(A)	-	-	
Total Shareholders' Equity(B) - Total Equity	24,491.46	24,180.46	
<b>Debt-Equity Ratio( A/B)</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>(c) Debt Service Coverage Ratio#</b>			
Earning for Debt service = Net Profit after taxes + Non-cash operating expenses + interest + Other adjustments	971.77	641.62	
Interest on Loan+Loan repayment in a year(B)	1.99	1.81	
<b>Debt Service Coverage Ratio( A/B)</b>	<b>488.40</b>	<b>353.98</b>	<b>37.97%</b>
<b>(d) Return on Equity Ratio (in %)#</b>			
Net Profit(A)	723.82	395.93	
Average Shareholders Equity(B)	24,335.96	24,340.86	
<b>Return on Equity Ratio( A/B)</b>	<b>2.97%</b>	<b>1.63%</b>	<b>82.85%</b>
<b>(e) Inventory turnover ratio</b>			
Raw materials,components,finished goods and work in progress consumed (A)	2,556.42	2,632.67	
Average Inventory(B)	288.10	292.37	
<b>Inventory turnover Ratio( A/B)</b>	<b>8.87</b>	<b>9.00</b>	<b>-1.46%</b>
<b>(f) Trade receivables turnover ratio</b>			
Net sales(A)	5,259.57	5,086.45	
Average Accounts receivable(B)	2,108.99	2,224.83	
<b>Trade receivable turnover Ratio( A/B)</b>	<b>2.49</b>	<b>2.29</b>	<b>9.08%</b>
<b>(g) Trade Payables turnover ratio</b>			
Net Purchases(A)	2,531.07	2,649.48	
Average trade payable(B)	736.80	700.04	
<b>Trade Payables turnover Ratio( A/B)</b>	<b>3.44</b>	<b>3.78</b>	<b>-9.24%</b>
<b>(h) Net Capital turnover ratio</b>			
Net sales(A)	5,259.57	5,086.45	
Average working capital (ie. Total current assets less Total current liabilities)	5,683.27	6,812.70	
<b>Net Capital turnover Ratio( A/B)</b>	<b>0.93</b>	<b>0.75</b>	<b>23.95%</b>
<b>(i) Net Profit ratio (in %)#</b>			
Net Profit(A)	723.82	395.93	
Net Sales(B)	5,259.57	5,086.45	
<b>Net Profit Ratio( A/B)</b>	<b>13.76%</b>	<b>7.78%</b>	<b>76.80%</b>
<b>(j) Return on Capital employed (in %)#</b>			
EBIT(A) - PBT+Finance Costs (A)	890.54	461.86	
Shareholders Equity+Long term liabilities(B) - Total Equity + Deferred tax liabilities	24,571.61	24,256.93	
<b>Return on Capital employed( A/B)</b>	<b>3.62%</b>	<b>1.90%</b>	<b>90.35%</b>
<b>(k) Return on Investment (in %)#</b>			
Income generated from Invested funds (Dividend Income + Realised and unrealised gain from fair value of investments) (A)	841.99	249.14	
Average cost of Investments(B)	12,150.13	8,404.09	
<b>Return on Investment( A/B)</b>	<b>6.93%</b>	<b>2.96%</b>	<b>133.76%</b>

C#- Interest coverage ratio improved on account of lower utilisation of working capital limits.

D, I, J #- EBITDA, PBT, Net Profit and Return on equity have improved at the backdrop of improvement in operating margin and other non operating income.

K#- ROI has improved on account of net gain from fair valuation of investments and healthy dividend income.



## NOTE : 42

## Ageing Schedule for Trade receivables

Ageing for trade receivables outstanding as on 31st Mar'24 is as follows :

Particulars	Outstanding for following periods from due date of payment						Amount in Rs lakhs
	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	649.21	1,168.61	40.52	6.92	18.78	23.44	1,907.48
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) undisputed trade receivables - credit impaired	-	-	-	-	-	108.13	108.13
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	-	-	-	-	-	(108.13)	(108.13)
<b>Trade receivables</b>	<b>649.21</b>	<b>1,168.61</b>	<b>40.52</b>	<b>6.92</b>	<b>18.78</b>	<b>23.44</b>	<b>1,907.48</b>

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

Particulars	Outstanding for following periods from due date of payment						Amount in Rs lakhs
	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	771.12	696.96	510.72	228.80	-	102.91	2,310.51
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) undisputed trade receivables - credit impaired	-	-	-	-	-	106.12	106.12
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	-	-	-	-	-	(106.12)	(106.12)
<b>Trade receivables</b>	<b>771.12</b>	<b>696.96</b>	<b>510.72</b>	<b>228.80</b>	<b>-</b>	<b>102.91</b>	<b>2,310.51</b>

## NOTE : 43

## Ageing Schedule for Trade Payables

Ageing for trade Payables outstanding as on 31st Mar'24 is as follows :

Particulars	Outstanding for following periods from due date of payment					Amount in Rs lakhs
	Not Due	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs.	Total
I) MSME	20.34	-	-	-	-	20.34
II) Others	420.57	221.89	-	15.88	3.05	661.38
III) Disputed dues - MSME	-	-	-	-	-	-
IV) Disputed dues - Others	-	-	-	-	-	-
<b>Net trade payables</b>	<b>440.91</b>	<b>221.89</b>	<b>-</b>	<b>15.88</b>	<b>3.05</b>	<b>681.73</b>

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

Particulars	Outstanding for following periods from due date of payment					Amount in Rs lakhs
	Not Due	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs.	Total
I) MSME	49.20	-	-	-	-	49.20
II) Others	564.25	157.76	-	-	20.66	742.68
III) Disputed dues - MSME	-	-	-	-	-	-
IV) Disputed dues - Others	-	-	-	-	-	-
<b>Net trade payables</b>	<b>613.45</b>	<b>157.76</b>	<b>-</b>	<b>-</b>	<b>20.66</b>	<b>791.88</b>

## NOTE : 44

## Ageing Schedule for Capital Work in Progress

Ageing for CWIP as on 31st Mar'24 is as follows :

Particulars	Amount in CWIP for period of					Amount in Rs lakhs
	Less than 1 year	1-2 years	2-3 years	More than 3	Total	
i) Projects in progress	6.29	450.76	729.79	-	1,186.85	
ii) Projects temporarily suspended	-	-	-	-	-	
<b>Total</b>	<b>6.29</b>	<b>450.76</b>	<b>729.79</b>	<b>-</b>	<b>1,186.85</b>	

Ageing for CWIP as on 31st Mar'23 is as follows :

Particulars	Amount in CWIP for period of					Amount in Rs lakhs
	Less than 1 year	1-2 years	2-3 years	More than 3	Total	
i) Projects in progress	395.05	307.99	-	-	703.04	
ii) Projects temporarily suspended	-	-	-	-	-	
<b>Total</b>	<b>395.05</b>	<b>307.99</b>	<b>-</b>	<b>-</b>	<b>703.04</b>	





**NOTE : 45****Additional regulatory information not disclosed elsewhere in the financial information**

- A** The Company do not have any Benami property and no proceedings have been initiated or pending against the Company and its Indian subsidiaries for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- B** The Company do not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956, except for the parties mentioned below:

Name of Struck off Company	Nature of transactions with struck-off Company	Balance Outstanding as on 31st Mar'24	Balance Outstanding as on 31st Mar'23	Relationship with the Struck off company, if any, to be disclosed
LANXESS INDIA PRIVATE LIMITED	Receivables	-	0.36	Nil
SHREE ENGINEERS INFRASTRUCTURE PRIVATE LIMITED	Receivables	-	(0.02)	Nil

- C** The company does not have any charge which is yet to be registered/ satisfied with ROC beyond the statutory period
- D** 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: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- E** 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 Group 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,
- F** The Company has not undertaken any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- G** The Company has not traded or invested in Crypto currency or Virtual Currency during the current or previous year.
- H** The Company has not been declared as a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- I** The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

**NOTE : 46****Working Capital Facilities:-****Details of credit facilities from banks:**

The Company has sanctioned credit facilities from HDFC Bank of Rs. 472.50 lakhs (i.e cash credit facility - Rs.220.00 lakhs, letter of credit - Rs. 209.60 lakhs and Bank Guarantee - R. The Company has not utilised cash credit facilities at the year end.

**Terms of loan**

- a) The credit facility carries interest at mutually agreed rates,(interest payable on monthly rests).
- b) The credit facility is secured by : Hypothecation of stocks and bookdebts, Factory land & building.
- Utilisation of borrowings :
- (a) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- (b) The quarterly returns/statements of current assets filed by the Company with banks or financial institutions in relation to secured borrowings wherever applicable, are in agreement with the books of accounts.



47 **Audit Trail**

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.

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

48 **Events occurring After Balance sheet date**

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and / or reporting of any of these events and transactions in the financial statements. As on May 25, 2024, there are no subsequent events to be recognised or reported.

49 **Fire Incident**

The Company's claim of Rs. 119.50 lakhs for the Inventory damaged in the fire incident which occurred in April 2022 at Tarapur Plant has been settled by the Insurance Company at Rs. 110.57 Lakhs during FY 2022-23. During the current Financial year the claim against property, plant & equipment is partially settled and is still under review.

50 The company has evaluated the option permitted under section 115BAA of the Income Tax Act, 1961 (the "Act") as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has presently decided to continue with the existing tax structure.

51 The previous year figures have been regrouped, reallocated or reclassified wherever necessary to confirm to current year classification and presentation.

As per our attached report of even date

On behalf of the Board of Directors

For Bathiya & Associates LLP  
Chartered Accountants  
FRN - 101046W/W100063



Jatin A. Thakkar  
Partner  
Membership No. : 134767  
Mumbai, 25th May 2024



Sameer V. Shah  
Chairman  
& Managing Director  
DIN: 00105721



Rashmi S. Gavli  
Chief Financial Officer  
Mumbai, 25th May 2024



Nirmal W. Shah  
Vice Chairman  
& Managing Director  
DIN: 00083853



Suchita Singh  
Company Secretary

Mahendra K. Ghelani  
Director  
DIN: 01108297

