

INDEPENDENT AUDITOR'S REPORT

To the Members of

Chembond Biosciences Limited

1. Opinion

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

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

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Results.

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

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

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

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

4. Management's Responsibility for the Financial Statements

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

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

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

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

6. Report on Other Legal and Regulatory Requirements

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

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, **except for certain matters in respect of audit trail as stated in paragraph 2h(vi) below.**
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- d. In our opinion, the aforesaid standalone financial statements comply with the IND AS specified under section 133 of the Act.
- e. On the basis of written representations received from the Directors as on March 31, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. The modifications relating to the maintenance of accounts and other matters connected therewith in respect of audit trail are as stated in paragraph 6B(b) above on reporting under section 143(3)(b) of the Act and paragraph 6B(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact if any, of pending litigations on its financial position in its financial statements,
 - ii. In our opinion and as per the information and explanations provided to us the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards for material foreseeable losses,
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company,
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under iv (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year.

- vi. Based on our examination which included test checks, the Company, has used an accounting software, payroll application and employee reimbursement software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software/application. However, audit trail feature is not enabled at the database level for accounting software to log any direct data changes as described in Note 37 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 financial year ended March 31, 2024.

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

Place: Mumbai
Date: 11th May, 2024

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

"Annexure A" to the Independent Auditors' Report

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

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

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

(b) During the year under consideration, the Company had carried out physical verification of its Property, Plant and Equipment and we have been informed that no material discrepancies were noticed on such verification as compared to the available records.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not own any immovable properties.

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

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

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company, has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company.

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

- 4) The company has not given loans, made investments, given guarantees and provided securities covered by provisions of section 185 and 186 of the Companies Act, 2013. Therefore, clause 3(iv) of the aforesaid Order is not applicable to the Company.
- 5) The Company has not accepted any deposits or amounts which are deemed to be deposits and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under Sub Section (1) of Section 148 of the Act, in respect of any of the products or services of the Company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and other statutory dues as applicable with the appropriate authorities.

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

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

- 8) According to the information and explanations given to us and the records of the company examined by us, the Company does not have any transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the Tax assessments under the Income Tax Act, 1961.
- 9) (a) According to the information and explanations given to us and the records of the company examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

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

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

- (d) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the funds raised on short term basis have not been utilized for long term purposes.
- (e) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- 10) (a) Based upon the audit procedures performed, the information and explanations given to us and the records of the company examined by us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.
- (b) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.
- 11) (a) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, no material fraud by the Company or on the company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report in respect of any fraud against the Company by its officers or employees
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- 12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

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

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

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

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

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

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

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

17) Based upon the audit procedures performed and the information and explanations given to us and based on our examination of the records of the company, the Company has incurred cash losses of ₹ 260.69 Lakhs during the year under consideration and ₹ 261.02 Lakhs in the immediately preceding financial year.

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

- 19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- 20) In our Opinion, the provisions of section 135 are not applicable to the Company. Accordingly, the provisions of clause 3(xx) of the order are not applicable to the Company.
- 21) Based on Rule 6 of the Companies (Accounts) Rules, 2014 provisions for Consolidated Financial Statements are not applicable to the Company. Accordingly, the provisions of clause 3(xxi) of the order are not applicable to the Company.

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

Place: Mumbai
Date : 11th May, 2024

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

"Annexure B" to the Independent Auditors' Report

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

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

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

Opinion

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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

Place: Mumbai
Date: 11th May, 2024

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

CHEMBOND BIOSCIENCES LIMITED
CIN :U36100MH2011PLC219324
Balance Sheet as at 31st March 2024

	Notes	As at 31/03/2024	As at 31/03/2023
		(Rs. In lakhs)	(Rs. In lakhs)
I ASSETS			
1 Non-current assets			
(a) Property, plant and equipment and Intangible assets			
(i) Property, plant and equipment	2	23.48	16.06
(ii) Capital work-in-progress	2	-	0.00
(iii) Other Intangible Assets	2	0.77	0.90
(b) Financial Assets			
i) Other financial assets	3	15.85	0.20
(c) Deferred Tax Asset (Net)	4	36.87	28.29
(d) Income tax asset (net)	5	0.05	0.11
(e) Other non-current assets	6	2.08	9.09
Total Non - Current Assets		79.09	54.65
2 Current Assets			
(a) Inventories	7	251.13	250.34
(b) Financial Assets			
i) Trade receivables	8	953.43	1,064.78
ii) Cash and cash equivalents	9	54.59	44.70
iii) Other bank balances	10	6.79	-
iv) Other financial assets	11	-	0.65
(d) Other current assets	12	34.19	24.81
Total Current Assets		1,300.13	1,385.27
Total Assets		1,379.22	1,439.93
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	13	190.00	190.00
(b) Other equity	14	(819.18)	(554.44)
Total Equity		(629.18)	(364.44)
2 Non-Current Liabilities			
(a) Financial liabilities			
i) Borrowings	15	584.39	611.86
Total Non - Current Liabilities		584.39	611.86
3 Current liabilities			
(a) Financial liabilities			
i) Trade payables			
Trade payables -MSMED	16	38.44	30.65
Trade payables -Others	16	1,178.21	977.89
iii) Other financial liabilities			0.00
(b) Other current liabilities	17	109.96	143.83
(c) Provisions	18	97.40	40.13
Total Current Liabilities		1,424.01	1,192.51
Total Equity and Liabilities		1,379.22	1,439.93
Significant Accounting Policies and Notes on Financial Statements	1-38		

As per our attached report of even date.
For M/s Kastury & Talati
Chartered Accountants
Firm Reg No. - 104908W

For and on behalf of the Board of Directors of
Chembond Biosciences Ltd.

Dhiren P. Talati
Partner
Membership No. F/41867
Mumbai, 11th May, 2024

Sameer V. Shah
(DIN: 00105721)
Director
Navi Mumbai
11th May 2024

Nirmal V. Shah
(DIN: 00083853)
Director
Navi Mumbai
11th May 2024

CHEMBOND BIOSCIENCES LIMITED
CIN :U36100MH2011PLC219324
Statement of Profit and Loss for the year ended 31st March, 2024

		Notes	FY 2023- 24 (Rs. In lakhs)	FY 2022-23 (Rs. In lakhs)
I	Revenue From Operations	19	2,864.87	2,829.56
II	Other Income	20	2.03	0.92
III	Total Income (I+II)		2,866.90	2,830.48
IV	Expenses :			
a.	Cost of Materials Consumed	21	1,913.42	1,851.56
b.	Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	22	(46.28)	55.89
c.	Employee Benefits Expense	23	598.62	590.39
d.	Finance Costs	24	51.31	54.82
e.	Depreciation and Amortisation expense	25	4.13	10.14
f.	Other Expenses	26	619.09	537.66
	Total Expenses		3,140.30	3,100.46
V	Profit before Exceptional items and Tax		(273.40)	(269.98)
VI	Exceptional Items		-	-
VII	Profit before Tax		(273.40)	(269.98)
VIII	Tax Expense			
	Current Tax		-	-
	Short/Excess Provision of Previous Year		-	-
	Deferred Tax		(8.58)	1.18
	Total Tax Expense		(8.58)	1.18
IX	Profit for the Year		(264.82)	(271.16)
X	Other Comprehensive Income			
1	i) Items that will not be reclassified to profit or loss		0.08	7.70
	ii) Income Tax relating to items that will not be reclassified to profit or loss		-	-
2	i) Items that will be reclassified to profit or loss		-	-
	ii) Income Tax relating to items that will be reclassified to profit or loss		-	-
	Other Comprehensive Income (1+2)		0.08	7.70
	Total Comprehensive Income (IX+X)		(264.74)	(263.46)
XI	Earning Per Equity Share of Face Value of Rs. 10 each	27		
	Basic (in Rs.)		(13.94)	(14.27)
	Diluted (in Rs.)		(13.94)	(14.27)

1-38

As per our attached report of even date.
For M/s Kastury & Talati
Chartered Accountants
Firm Reg No. - 104908W

For and on behalf of the Board of Directors of
Chembond Biosciences Ltd.

Dhiren P. Talati
Partner
Membership No. F/41867
Mumbai, 11th May, 2024

Sameer V. Shah
(DIN: 00105721)
Director
Navi Mumbai
11th May 2024

Nirmal V. Shah
(DIN: 00083853)
Director
Navi Mumbai
11th May 2024

CHEMBOND BIOSCIENCES LIMITED

Notes forming part of Financial Statements for the year ended 31st March, 2024

3	OTHER FINANCIAL ASSETS		As at 31/03/2024	As at 31/03/2023
		(Unsecured & considered good)	(Rs. In lakhs)	(Rs. In lakhs)
	Other Deposits		15.85	0.20
	Total		15.85	0.20
4	DEFERRED TAX ASSET (NET)		As at 31/03/2024	As at 31/03/2023
			(Rs. In lakhs)	(Rs. In lakhs)
	Deferred tax Liability			
	Depreciation		(2.50)	(2.05)
			(2.50)	(2.05)
	Deferred tax Asset			
	Gratuity		(1.58)	(2.59)
	MAT Credit		17.19	17.19
	Provision for Doubtful Debts		23.76	15.74
			39.37	30.34
	Net Deferred Tax Asset	Total	36.87	28.29
5	INCOME TAX ASSET (NET)		As at 31/03/2024	As at 31/03/2023
			(Rs. In lakhs)	(Rs. In lakhs)
	Income Tax (Net of Provision)		0.05	0.11
	Total		0.05	0.11
6	OTHER NON-CURRENT ASSETS		As at 31/03/2024	As at 31/03/2023
			(Rs. In lakhs)	(Rs. In lakhs)
	Other Advances		0.68	4.17
	Gratuity		1.40	4.92
	Total		2.08	9.09
7	INVENTORIES		As at 31/03/2024	As at 31/03/2023
		(At lower of Cost and Net Realisable Value)	(Rs. In lakhs)	(Rs. In lakhs)
	Raw Material		101.70	165.65
	Packing Material		18.15	13.83
	Finished Goods		110.80	64.52
	WIP Inventory		20.48	0.00
	Stock-in-Trade		-	6.35
	Total		251.13	250.34
8	TRADE RECEIVABLES		As at 31/03/2024	As at 31/03/2023
		(Unsecured)	(Rs. In lakhs)	(Rs. In lakhs)
	Unsecured Considered doubtful		91.37	60.53
			-	-
			91.37	60.53
	OTHER DEBTS (CONSIDERED GOOD)		1,044.80	1,125.30
	Unsecured Considered Good		953.43	1,064.78
	Unsecured Considered doubtful		91.37	60.53
	Less : Provision for Doubtful Debts		91.37	60.53
	Total		953.43	1,064.78
a	For Related party transactions Refer Note No.29			
9	CASH AND CASH EQUIVALENTS		As at 31/03/2024	As at 31/03/2023
			(Rs. In lakhs)	(Rs. In lakhs)
	Balances with banks			
	In Current Accounts		54.57	44.58
	Cash on hand		0.01	0.12
	Total		54.59	44.70

10	OTHER BANK BALANCES	As at 31/03/2024	As at 31/03/2023
		(Rs. In lakhs)	(Rs. In lakhs)
	Margin money (Including deposits with original maturity of more than 3 months)	6.79	-
	Total	6.79	-

11	OTHER FINANCIAL ASSETS (Unsecured & considered good)	As at 31/03/2024	As at 31/03/2023
		(Rs. In lakhs)	(Rs. In lakhs)
	Deposit - Excise	-	0.65
	Total	-	0.65

12	OTHER CURRENT ASSETS	As at 31/03/2024	As at 31/03/2023
		(Rs. In lakhs)	(Rs. In lakhs)
	Prepaid expenses	1.97	4.10
	Balances with government authorities (Input Service Tax)	-	0.68
	Gratuity	4.69	5.03
	Others Advances	27.54	15.00
	Total	34.19	24.81

13	SHARE CAPITAL	As at 31/03/2024	As at 31/03/2023
		(Rs. In lakhs)	(Rs. In lakhs)
	Authorised 30,00,000 (30,00,000)Equity Shares of Rs.10/- each	300.00	300.00
	Issued, Subscribed and Paid up 19,00,000 (19,00,000) Equity Shares of Rs.10/- each fully paid up	190.00	190.00
	Total	190.00	190.00

a	Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year:	As at 31/03/2024	As at 31/03/2023
		No of Shares	No of Shares
	Number of shares outstanding at the beginning of the year	1,900,000	1,900,000
	Additions during the year	-	-
	Deductions during the year	-	-
	Number of shares outstanding at the end of the year	1,900,000	1,900,000

b	Details of Shareholders holding more than 5% Shares	As at 31/03/2024	As at 31/03/2023
		No of Shares	No of Shares
	Name of the Shareholder		
	Chembond Chemical Ltd.(the Holding Company)	1,900,000	19,00,000
	Shareholding of Chembond Chemicals Ltd., includes 6 shares held by individuals as nominees of the Company		

c **Terms/Rights attached to Equity Shares**
The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. 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.

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

Shares held by promoters at the end of the year				% Dchange during the year
S. No.	Promoter Name	No. of shares	% of total Shares	
1	Chembond Chemicals Limited	1,899,994	99.9997%	No Dchange
2	Sameer V. Shah Jtly Shilpa S. Shah*	1	0.0001%	
3	Nirmal V. Shah Jtly Mamta N. Shah*	1	0.0001%	
4	Mamta N. Shah Jtly Nirmal V. Shah*	1	0.0001%	
5	Shilpa S. Shah Jtly Sameer V. Shah*	1	0.0001%	
6	Padma V. Shah*	1	0.0001%	
7	Bhadresh D. Shah Jtly with Parul B. Shah*	1	0.0001%	
		1,900,000	100.000000	

*Shareholding of Chembond Chemicals Ltd., includes 6 shares held by individuals as nominees of the Company

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

Shares held by promoters at the end of the year				% Dchange during the year
S. No.	Promoter Name	No. of shares	% of total Shares	
1	Chembond Chemicals Limited	1,899,994	99.9997%	No Dchange
2	Sameer V. Shah Jtly Shilpa S. Shah*	1	0.0001%	
3	Nirmal V. Shah Jtly Mamta N. Shah*	1	0.0001%	
4	Mamta N. Shah Jtly Nirmal V. Shah*	1	0.0001%	
5	Shilpa S. Shah Jtly Sameer V. Shah*	1	0.0001%	
6	Padma V. Shah*	1	0.0001%	
7	Bhadresh D. Shah Jtly with Parul B. Shah*	1	0.0001%	
		1,900,000	100.000000	

*Shareholding of Chembond Chemicals Ltd., includes 6 shares held by individuals as nominees of the Company

14 OTHER EQUITY		As at 31/03/2024	As at 31/03/2023
		No of Shares	(Rs. In lakhs)
Retained Earnings			
As per last year		(564.31)	(293.15)
Add: Profit for the Year		(264.82)	(271.16)
Add: Transfer from Revaluation Reserve			
		(829.13)	(564.31)
Other Comprehensive Income (OCI)			
Remeasurements of the net defined benefit Plans			
As per last year		9.88	2.18
Movement During the Year		0.08	7.70
		9.95	9.88
Total		(819.18)	(554.44)
15 BORROWINGS			
Secured			
Working Capital Loan from Banks		584.39	611.86
Total		584.39	611.86
a	Working Capital loan is secured by Chembond chemicals limited FDR		
16 TRADE PAYABLES			
		As at 31/03/2024	As at 31/03/2023
		(Rs. In lakhs)	(Rs. In lakhs)
Micro, Small and Medium Enterprises		38.44	30.65
Others		1,178.21	977.89
Total		1,216.65	1,008.54
a	For Related party transaction Refer Note No.29		
b	The Company 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	As at 31/03/2023
		(Rs. In lakhs)	(Rs. In lakhs)
Principal amount due to suppliers under MSMED Act, 2006		38.44	30.65
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount		-	0.02
Payment made to suppliers (other than interest) beyond the appointed day, during the year		-	20.43
Interest paid/adjusted to suppliers under MSMED Act, 2006 (other than section 16)		-	0.00
Interest paid/adjusted to suppliers under MSMED Act, 2006 (Section 16)		Nil	NIL
Interest due and payable to suppliers under MSMED Act, 2006 for payments already made		-	0.02
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006		-	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 information available with the Company. This has been relied upon by the Auditors.			
17 OTHER CURRENT LIABILITIES			
		As at 31/03/2024	As at 31/03/2023
		(Rs. In lakhs)	(Rs. In lakhs)
Advance Received From Customers		3.77	5.14
Statutory Dues		4.63	9.29
Other payable		101.57	129.40
Total		109.96	143.83
18 SHORT-TERM PROVISIONS			
		As at 31/03/2024	As at 31/03/2023
		(Rs. In lakhs)	(Rs. In lakhs)
Provision for Employee Benefits Payable		97.40	40.13
Total		97.40	40.13

26	OTHER EXPENSES	FY 2023-24 (Rs. In lakhs)	FY 2022-23 (Rs. In lakhs)
	MANUFACTURING EXPENSES		
	Consumable stores	7.27	4.40
	Octroi		
	Power, Fuel & Water Charges	8.08	5.05
	Research and Development	0.62	0.02
	Lab Expenses	1.59	0.89
	Repairs and Renewals to Plant & Machinery	1.95	2.56
	Security Expenses	5.69	4.14
	Factory Maintenance	11.29	3.17
	Rent - Manufacturing	39.12	36.67
	A	75.61	56.91
	ADMINISTRATIVE EXPENSES		
	Rates & Taxes	12.88	4.15
	Printing and stationary	1.56	0.81
	Telephone & Postage Expenses	8.35	6.71
	Insurance	3.36	3.93
	Motor car expenses	19.02	20.36
	Auditors Remuneration (see note 'a' below)	0.99	1.60
	Legal, Professional & consultancy fees	69.45	42.65
	Repairs & Maintenance Others	10.33	5.76
	Miscellaneous expenses	13.02	9.29
	Donation	0.25	0.00
	Foreign Exchange Fluctuation Loss/ (Gain)	2.38	0.64
	Provision for Doubtful Debts	31.38	13.66
	Loss by Fire	-	22.77
	Bad Debts Written Off	2.08	0.36
	B	176.76	132.70
	SELLING AND DISTRIBUTION EXPENSES		
	Carriage outwards	128.72	123.24
	Rent	-	0.35
	Commission on sales	53.15	26.56
	Travelling Expenses	54.14	58.57
	Conveyance expenses	83.54	85.19
	Advertising & Publicity Expenses	4.63	15.30
	Warehousing Charges	-	1.47
	Sales Promotion Expenses	42.55	37.37
	C	366.72	348.06
	Total (A+B+C)	619.09	537.66
a	Auditor's Remuneration consists of:		
		FY 2023-24 (Rs. In lakhs)	FY 2022-23 (Rs. In lakhs)
	Statutory Audit Fees	0.99	0.90
	Tax Audit Fees	0.70	0.64
	Taxation and Other Matters	0.07	0.06
	Total	1.76	1.60
27	EARNING PER SHARE		
		2023-24	2022-2023
	Net Profit available to Equity Shareholders (Rs. In Lakhs)	(264.82)	(271.16)
	Total number of Equity Shares (Face value of Rs. 10/- each fully paid up)	1,900,000.00	1,900,000.00
	Diluted Earnings per Share (in Rupees)	(13.94)	(14.27)

28 **EMPLOYEE BENEFIT PLANS**

(A) **Defined contribution plan**

Contributions are made to Employee Provident Fund (RPF), Employees State Insurance Scheme (ESIC) and other Funds which covers all regular employees. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain percentage of the employee's salary. Amount recognised as expense in respect of these defined contribution plans, aggregate to Rs 17.98 Lakhs (Previous year Rs 19.31 Lakhs).

Particulars	As at 31/03/2024	As at 31/03/2023
Contribution to Provident Fund and Family Pension Fund, Others	17.84	19.08
Contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	0.14	0.23
Contribution to Labour Welfare Fund	0.04	0.05

(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:

Particulars	Gratuity (Funded)	Gratuity (Funded)
	As at 31/03/2024	As at 31/03/2023
<u>I) Change in Defined Benefit Obligation</u>		
Opening defined benefit obligation	19.92	20.54
Amount recognised in profit and loss		
Current service cost	4.53	5.99
Interest cost	1.49	1.39
Amount recognised in other comprehensive income		
Actuarial loss / (gain) arising from:		
Return on Plan Assets		
Financial assumptions	(0.39)	(7.64)
Other		
Benefits paid	(2.18)	(0.37)
Closing defined benefit obligation	23.37	19.92
<u>II) Change in fair value of assets :</u>		
Opening fair value of plan assets	29.87	15.32
Amount recognised in profit and loss		
Interest income	2.24	1.04
Amount recognised in other comprehensive income		
Actuarial gain / (loss)		
Return on Plan Assets, Excluding Interest Income		0.06
Other		
Contributions by employer		
Equitable Fund transfer in	(0.47)	13.83
Benefits paid	(2.18)	(0.37)
Closing fair value of plan assets	29.46	29.87
Actual return on Plan Assets	1.77	1.10
Plan assets comprise the following		
Insurance fund (100%)	Unquoted 29.46	Unquoted 29.87
IV) Principal actuarial assumptions used		
Rate of Interest (%)	7.25	7.50
Withdrawal rate (%)	1.00	1.00
Salary escalation rate (%)	5.00	5.00
V) Amount recognised in the Balance Sheet		
	As at 31/03/2024	As at 31/03/2023
Present value of obligations as at year end	23.37	19.92
Fair value of plan assets as at year end	29.46	29.87
Net (asset) / liability recognised as at year end	(6.09)	(9.95)
Recognised under :		
Other Current assets/(Liabilities)	4.69	5.03
Other non current assets/(Liabilities)	1.40	4.92
Other Current assets/(Liabilities)	6.09	9.95

(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 31/03/2024		As at 31/03/2023	
	Increase	Decrease	Increase	Decrease
Discount rate 1% movement - Gratuity	-12.00	14.20	-11.70	14.00
Future salary growth 1% movement - Gratuity	14.40	-12.30	14.20	-12.10

(vii) **Expected future cash flows**

The expected maturity analysis is as follows :	For year ended	For year ended
	31.03.2024	31.03.2023
Expected benefits for year 1	0.32	0.81
Expected benefits for year 2	0.36	0.29
Expected benefits for year 3	0.43	0.32
Expected benefits for year 4	0.46	0.38
Expected benefits for year 5	0.50	0.42
Expected benefits for year 6 and above	12.76	9.23

35 **Contingent Liabilities and Capital 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 -		
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, with respect to 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.		

36 **ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013**

- i The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions(Prohibition) Act,1988 (45 of 1988) and Rules made thereunder.
- ii The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- iii The Company has complied with the requirement with respect to number of layers as prescribed under Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- iv Utilisation of borrowed funds and share premium
 - I The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall :
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
 - II The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- v There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- vi The Company has not traded or invested in crypto currency or virtual currency during the year.
- vii The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.
- viii The Company do not have any transactions with struck off companies under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956

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

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

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

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

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

As per our attached report of even date.
For M/s Kastury & Talati
Chartered Accountants
Firm Reg No. - 104908W

For and on behalf of the Board of Directors
Chembond Biosciences Ltd.

Dhiren P. Talati
Partner
Membership No. F/41867
Mumbai, 11th May, 2024

Sameer V. Shah
(DIN: 00105721)
Director
Navi Mumbai
11th May 2024

Nirmal V. Shah
(DIN: 00083853)
Director
Navi Mumbai
11th May 2024

Chembond Biosciences Limited
Statement of Changes in Equity as at 31st March 2024

(a) EQUITY SHARE CAPITAL

	No. of Shares	(Rs. In lakhs)
Balance as at 31st March 2022	1,900,000	190.00
Changes in equity share capital	-	-
Balance as at 31st March 2023	1,900,000	190.00
Changes in equity share capital	-	-
Balance as at 31st March 2024	1,900,000	190.00

(b) OTHER EQUITY

(Rs. In lakhs)

Particulars	Profit and Loss Account	Total other equity
Balance as at 31st March 2022	(290.97)	(290.97)
Profit for the year	(271.16)	(271.16)
Other comprehensive income for the year	7.70	7.70
Total Comprehensive Income	(263.46)	(263.46)
Balance as at 31st March 2023	(554.44)	(554.44)
Profit for the year	(264.82)	(264.82)
Other comprehensive income for the year	0.08	0.08
Total Comprehensive Income	(264.74)	(264.74)
Balance as at 31st March 2024	(819.18)	(819.18)

As per our attached report of even date.
For M/s Kastury & Talati
Chartered Accountants
Firm Reg No. - 104908W

For and on behalf of the Board of Directors
Chembond Biosciences Ltd.

Dhiren P. Talati
Partner
Membership No. F/41867
Mumbai, 11th May 2024

Sameer V. Shah
(DIN: 00105721)
Director
Navi Mumbai,
11th May 2024

Nirmal V. Shah
(DIN: 00083853)
Director
Navi Mumbai,
11th May 2024

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st March, 2024

Note No. 2 "PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSET"

(Rs. In lakhs)

PARTICULARS	RATE %	GROSS BLOCK				DEPRECIATION/AMORTISATION				Revaluation on Assets (> 10%)	Impairment of Assets	NET BLOCK	
		AS AT 01.04.2023	ADDITIONS DURING YEAR	DEDUCTIONS DURING YEAR	AS AT 31.03.2024	AS AT 01.04.2023	For the year	DEDUCTIONS DURING YEAR	As at 31.03.2024			As at 31.03.2024	As at 31.03.2023
Tangible Assets													
Plant & Machinery		9.82	5.61	-	15.43	0.26	0.70	-	0.96	-	-	14.47	9.56
Office Equipment		0.04	-	-	0.04	0	0.04	-	0.04	-	-	0.00	0.04
Factory Equipment		2.82	1.52	-	4.34	0.24	0.30	-	0.54	-	-	3.80	2.58
Computer Hardware		9.38	2.10	-	11.48	5.50	2.95	-	8.45	-	-	3.03	3.88
Electrical Fittings		-	2.19	-	2.19	-	0.01	-	0.01	-	-	2.18	-
Intangible Assets													
Computer Software		1.23	-	-	1.23	0.33	0.13	-	0.46	-	-	0.77	0.90
Total		23.29	11.42	-	34.72	6.34	4.13	-	10.47	-	-	24.25	16.96
Capital Work in Progress		-	-	-	-	-	-	-	-	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st March, 2023

Note No. 2 "PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSET"

(Rs. In lakhs)

PARTICULARS	RATE %	GROSS BLOCK				DEPRECIATION/AMORTISATION				Revaluation on Assets (> 10%)	Impairment of Assets	NET BLOCK	
		AS AT 01.04.2022	ADDITIONS DURING YEAR	DEDUCTIONS DURING YEAR	AS AT 31.03.2023	AS AT 01.04.2022	For the year	DEDUCTIONS DURING YEAR	As at 31.03.2023			As at 31.03.2023	As at 31.03.2022
Tangible Assets													
Plant & Machinery		1.11	8.71	-	9.82	0.02	0.24		0.26	-	-	9.56	1.09
Office Equipment		-	0.04		0.04	-	0.00		0.00			0.04	-
Factory Equipment		0.58	2.24		2.82	0.15	0.09		0.24	-	-	2.58	0.43
Computer Hardware		7.94	1.44		9.38	2.84	2.66		5.50	-	-	3.88	5.10
Intangible Assets													
Technical Know How		49.26		-	49.26	42.22	7.04		49.26	-	-	-	7.04
Computer Software		1.23	-		1.23	0.22	0.12		0.33	-	-	0.90	1.02
Total		60.12	12.43	-	72.55	45.45	10.14	-	55.59	-	-	16.96	14.67
Capital Work in Progress		1.30	6.72	8.02	-							-	1.30

CHEMBOND BIOSCIENCES LIMITED

Cashflow Statement for the Year ended 31st March, 2024

(Rs. In Lakhs)

Particulars		31.03.2024		31.03.2023	
A	Cash Flow from Operating Activities				
	Profit before tax		(273.40)		(269.98)
	Adjustments for :				
	Depreciation and amortisation	4.13		10.14	
	Finance Cost	51.31		54.82	
			55.45		64.96
			-		-
	Operating Profit before working capital changes		(217.95)		(205.02)
	Adjustments for :				
	Trade and Other Receivables	93.97		(106.25)	
	Inventories	(0.79)		111.51	
	Trade and Other Payables	231.50		245.75	
			324.68		251.01
	Cash generated from operations		106.72		45.99
	Direct Taxes paid				(0.17)
	Net Cash from Operating Activities (A)		106.72		45.82
B	Cash Flow from Investing Activities				
	Purchase of Fixed Assets		(11.27)		(11.13)
	Net Cash used in Investing Activities (B)		(11.27)		(11.13)
C	Cash Flow from Financing Activities				
	Proceeds/(Repayment) of Long Term Borrowings		(27.47)		7.86
	Finance Cost		(51.31)		(54.82)
	Net Cash from Financing Activities (C)		(78.78)		(46.97)
	Net (Decrease)/Increase in Cash & Cash Activities (A+B+C)		16.67		(12.29)
	Cash and Cash Equivalents and Other Bank Balances as on Opening		44.70		56.99
	Cash and Cash Equivalents and Other Bank Balances as on Closing		61.38		44.70

As per our attached report of even date.
For M/s Kastury & Talati
Chartered Accountants
Firm Reg No. - 104908W

For and on behalf of the Board of Directors of
Chembond Biosciences Ltd.

Dhiren P. Talati
Partner
Place: Mumbai
Date: 11th May 2024

Sameer V. Shah
(DIN: 00105721)
Director
Navi Mumbai
11th May 2024

Nirmal V. Shah
(DIN: 00083853)
Director
Navi Mumbai
11th May 2024

29 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:

Particulars & Name of Related Party

i) Holding Company

Chembond Chemicals Limited

ii) Key Managerial Personnel (KMP)

Sameer V Shah, Nirmal V Shah, Mrs. Rashmi Gavli, Mr. Jaywant Tawade, Mr. D.K.Singh

iii) Companies on which the KMP's have significant influence

Chembond Water Technologies Limited
Chembond Clean Water Technologies Ltd.
Chembond Distribution Ltd,
Chembond Calvatis Industrial Hygiene Systems Limited
Finor Piplaj Chemicals Limited
Oriano Clean Energy Private Limited
S and N Ventures Private Ltd
Visan Holdings Private Limited
Chembond Material Technologies Private Limited
Gramos Chemicals India Private Limited
Phiroz Sethna Private Limited

iv) Relatives of Key Managerial Personnel

Mrs. Padma V. Shah, Mrs. Shilpa S. Shah, Mrs. Mamta N. Shah, Mrs. Alpna S. Shah, Sameer Shah HUF, Mr. Raunaq Shah, Mrs. Mallika Shah, Mrs. Amrita Shah, Mrs. Jyoti Mehta, Nirmal Vinod Shah HUF, Mr. Rahil Shah, Mrs. Kshitija Shah, Mr. Sameer L. Gavli, Mr. Laxman Gavli, Mr. Madan Nilkhanthrao Tipnis, Mrs. Sunita L. Gavli, Mrs. Rati M. Tipnis, Ms. Nupur S. Gavli, Mr. Prashant L. Gavli, Mrs. Yogita Tushar Tipnis, Mrs. Pallavi S. Wakaskar, Mrs. Jyotsna Jaywant Tawade, Mr. Sangram Jaywant Tawade, Mrs. Jui Jaywant Tawade, Mr. Yashwant Keshavrao Tawade
Mrs. Sushma Ghorpade, Mrs. Rajlaxmi Rane

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

(₹. 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
Sales of Goods	40.62	-	-	40.62	163.24	-	1.57	164.81
Chembond Chemicals Limited	6.05	-	-	6.05	157.30	-	-	157.30
Chembond Material Technologies Pvt Ltd	34.19	-	-	34.19	5.53	-	-	5.53
Chembond Water Technologies Ltd	0.38	-	-	0.38	-	-	-	-
Chembond Calvatis Industrial Hygiene Systems Ltd	-	-	-	-	0.41	-	-	0.41
Finor Piplaj Chemicals Ltd.	-	-	-	-	-	-	1.57	1.57
Purchase of Goods	249.01	-	-	249.01	275.15	-	-	275.15
Chembond Chemicals Limited	120.46	-	-	120.46	149.73	-	-	149.73
Chembond Material Technologies Pvt Ltd	126.87	-	-	126.87	116.94	-	-	116.94
Chembond Calvatis Industrial Hygiene Systems Ltd	-	-	-	-	8.48	-	-	8.48
Finor Piplaj Chemicals Ltd.	1.68	-	-	1.68	-	-	-	-
Purchase of Fixed Assets	-	-	-	-	1.05	-	-	1.05
Phiroze Sethna Pvt Ltd	-	-	-	-	1.05	-	-	1.05
Director Remunration	-	-	54.33	54.33	-	-	42.14	42.14
Sameer V .Shah	-	-	33.75	33.75	-	-	28.94	28.94
Jaywant Tawade	-	-	16.41	16.41	-	-	13.20	13.20
Rashmi S. Gavli	-	-	4.17	4.17	-	-	-	-
Interest on Loan	0.02	-	-	0.02	31.94	-	-	31.94
Chembond Chemicals Ltd	0.02	-	-	0.02	31.94	-	-	31.94
Job Work Charges	88.27	-	-	88.27	62.81	-	-	62.81
Chembond Chemicals Ltd	88.27	-	-	88.27	62.81	-	-	62.81
Loan Taken	25.00	-	-	25.00	65.00	-	-	65.00
Chembond Chemicals Ltd	25.00	-	-	25.00	65.00	-	-	65.00
Loan Repayment	25.00	-	-	25.00	669.00	-	-	669.00
Chembond Chemicals Ltd	25.00	-	-	25.00	669.00	-	-	669.00
Sameer V Shah	-	-	-	-	-	-	-	-
Balance at the end of the year								
B. Sundry Debtors	-	-	-	-	1.17	-	-	1.17
Chembond Chemicals Ltd	-	-	-	-	-	-	-	-
Chembond Material Technologies Pvt Ltd	-	-	-	-	1.17	-	-	1.17
C. Sundry Creditors	953.66	-	-	953.66	755.02	-	0.17	755.19
Chembond Chemicals Ltd	473.34	-	-	473.34	411.27	-	-	411.27
Chembond Material Technologies Pvt Ltd	480.15	-	-	480.15	342.51	-	-	342.51
Finor Piplaj Chemicals Ltd.	0.17	-	-	0.17	-	-	0.17	0.17
Phiroze Sethna Pvt Ltd	-	-	-	-	1.24	-	-	1.24

PARTICULARS	RATE %	GROSS BLOCK				
		AS AT 01.04.2023	ADDITIONS DURING YEAR	additions after 01.10.23	DEDUCTIONS DURING YEAR	AS AT 31.03.2024
Tangible Assets						
Plant & Machinery	15%	1.03		5.61	-	6.63
Factory Equipment	15%	0.74	-	1.52	-	2.26
Electrical Fiitings	15%	-		2.19	-	2.19
Computer Hardware	40%	5.36	1.26	0.84	-	7.46
Intangible Assets						
Technical Know How	25%	5.28	-	-		5.28
Computer Software	40%	0.44	-	-	-	0.44
		12.85	1.26	10.16	-	24.27

PARTICULARS	RATE %	GROSS BLOCK				
		AS AT 01.04.2022	ADDITIONS DURING YEAR	additions after 01.10.22	DEDUCTIONS DURING YEAR	AS AT 31.03.2023
Tangible Assets						
Plant & Machinery	15.00	1.03		-		1.03
Factory Equipment	15.00	0.36	0.38	-	-	0.74
Computer Hardware	40.00	3.97	1.39	-	-	5.36
Intangible Assets						
Technical Know How	25.00	5.28	-	-	-	5.28
Computer Software	40.00	0.44	-	-	-	0.44
		11.07	1.77	-	-	12.85

PARTICULARS	RATE %	GROSS BLOCK				
		AS AT 01.04.2021	ADDITIONS DURING YEAR	additions after 01.10.20	DEDUCTIONS DURING YEAR	AS AT 31.03.2022
Tangible Assets						
Plant & Machinery	15.00	-		1.11		1.11
Factory Equipment	15.00	0.42	-	-	-	0.42
Computer Hardware	40.00	2.42	3.93	0.58	0.51	6.42
Intangible Assets						
Technical Know How	25.00	7.04	-	-	-	7.04

Computer Software	40.00	0.74	-	-	-	0.74
		10.62	3.93	1.69	0.51	15.73

PARTICULARS	RATE %	GROSS BLOCK				
		AS AT 01.04.2020	ADDITIONS DURING YEAR	additions after 01.10.20	DEDUCTIONS DURING YEAR	AS AT 31.03.2021
<u>Tangible Assets</u>						
Factory Equipment	15.00	0.49	-	-	-	0.49
Computer Hardware	40.00	1.70	-	1.76	-	3.46
<u>Intangible Assets</u>						
Technical Know How	25.00	9.39	-	-	-	9.39
Computer Software	40.00	0.57	-	0.49	-	1.07
		12.16	-	2.25	-	14.41

PARTICULARS	RATE %	GROSS BLOCK				
		AS AT 01.04.2019	ADDITIONS DURING YEAR	additions after 01.10.19	DEDUCTIONS DURING YEAR	AS AT 31.03.2020
<u>Tangible Assets</u>						
Factory Equipment	15.00	-	0.58		-	0.58
Computer Hardware	40.00	-	0.27	1.92	-	2.19
<u>Intangible Assets</u>						
Technical Know How	25.00	12.52	-	-	-	12.52
Computer Software	40.00	-	0.10	0.64	-	0.74
		12.52	0.95	2.56	-	16.03

DEPRECIATION/AMORTISATION				NET BLOCK	
AS AT 01.04.2023	For the year	DEDUCTIONS DURING YEAR	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
0.04	1.13	-	1.17	5.46	0.99
0.11	0.22	-	0.33	1.92	0.63
-	0.16	-	0.16	2.03	
2.14	2.82	-	4.96	2.50	3.22
1.32	1.32	-	2.64	2.64	3.96
0.18	0.18	-	0.35	0.09	0.27
3.79	5.84	-	9.63	14.64	9.06

DEPRECIATION/AMORTISATION				NET BLOCK	
AS AT 01.04.2023	For the year	DEDUCTIONS DURING YEAR	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
-	0.04		0.04	0.99	1.03
-	0.11	-	0.11	0.63	0.36
-	2.14	-	2.14	3.22	3.97
-	1.32	-	1.32	3.96	5.28
-	0.18	-	0.18	0.27	0.44
-	3.79	-	3.79	9.06	11.07

DEPRECIATION/AMORTISATION				NET BLOCK	
AS AT 01.04.2021	For the year	DEDUCTIONS DURING YEAR	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
-	0.08		0.08	1.03	
-	0.06	-	0.06	0.36	0.42
-	2.45	-	2.45	3.97	2.42
-	1.76	-	1.76	5.28	7.04

-	0.30	-	0.30	0.44	0.74
-	4.65	-	4.65	11.07	10.62

DEPRECIATION/AMORTISATION				NET BLOCK	
AS AT 01.04.2019	For the year	DEDUCTIONS DURING YEAR	As at 31.03.2020	As at 31.03.2020	As at 31.03.19
-	0.07	-	0.07	0.42	-
-	1.03	-	1.03	2.42	
-	2.35	-	2.35	7.04	12.52
-	0.33	-	0.33	0.74	-
-	3.78	-	3.78	10.62	12.52

0.07
1.38

2.35
0.43
4.23

DEPRECIATION/AMORTISATION				NET BLOCK	
AS AT 01.04.2019	For the year	DEDUCTIONS DURING YEAR	As at 31.03.2020	As at 31.03.2020	As at 31.03.19
-	0.09	-	0.09	0.49	-
-	0.49	-	0.49	1.70	
-	3.13	-	3.13	9.39	12.52
-	0.17	-	0.17	0.57	-
-	3.88	-	3.88	12.16	12.52

0.09
0.11
-
-
3.13
0.04
3.37

-
0.38
-
-
-
0.13
0.51

30 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	Amotised Cost	Total	Level 1	Level 2	Total
Financial assets							
Cash and cash equivalents (Including other bank balances)			61.38	61.38			-
Investments							
Trade and other receivables			953.43	953.43			-
Loans							
Other financial assets			15.85	15.85			-
TOTAL	-	-	1,030.65	1,030.65	-	-	-
Financial liabilities							
Long term borrowings (Including current maturity of Long term borrowings)			584.39	584.39			
Trade and other payables			1,216.65	1,216.65			-
TOTAL	-	-	1,801.04	1,801.04	-	-	-

	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	Total
Financial assets							
Cash and cash equivalents (Including other bank balances)			44.70	44.70			-
Investments							
Trade and other receivables			1,064.78	1,064.78			-
Loans			-	-			
Other financial assets			0.85	0.85			-
TOTAL	-	-	1,110.33	1,110.33	-	-	-
Financial liabilities							
Long term borrowings (Including current maturity of Long term borrowings)			611.86	611.86			
Trade and other payables			1,008.54	1,008.54			-
TOTAL	-	-	1,620.40	1,620.40	-	-	-

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

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

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 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.

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.

v) 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.

34 Disclosures of Ratios

	Ratios	As at 31/03/2024	As at 31/03/2023
a	Current Ratio = Current Assets/Current Liabilities	0.91	1.16
b	Debt Equity Ratio = (Short Term Debt+Long Term Debt+Other Fixed Payments)/ Shareholder's Equity	-0.93	-1.68
c	Debt Service Coverage Ratio = Net Operating Income/ Debt Service	-0.37	-0.34
d	Return on Equity Ratio = Net Income/ Shareholders Equity	0.43	0.74
e	Inventory Turnover Ratio = Cost of Goods Sold/ Average Inventory	7.45	6.23
f	Trade Receivables Turnover Ratio = Net Credit sales/ Average Accounts Receivable	2.84	2.78
g	Trade Payable Turnover Ratio = Credit Purchases/ Average Accounts Payable	1.68	1.96
h	Net Capital Turnover Ratio = Net Sales/ Working Capital	-23.13	14.68
i	Net Profit Ratio = Net Profit/ Net Sales	-0.09	-0.10
j	Return on Capital Employed = Earnings Before Interest and Tax/ Capital Employed	-1.17	-1.13
k	Return on Investment = Net Return on Investment/ Cost of Investment	NA	NA