

## BOARDS' REPORT

To,  
The Members  
Chembond Water Technologies Limited

The Directors of the Company present the 36<sup>th</sup> Annual Report together with the Audited Financial Statements for the year ended 31<sup>st</sup> March 2021.

### FINANCIAL RESULTS

The financial performance of your Company for the year 2020-21 and 2019-20 is summarized below:

Particulars	Amount (₹ in lakhs)	
	2020-21	2019-20
Total Revenue	13882.69	12589.81
Profit for the year	1158.41	777.18
Add: Balance as per last year	4219.37	3936.43
Add: Transfer from Revaluation Reserve	-	-
<b>Total</b>	<b>5377.77</b>	<b>4723.37</b>
<b>Appropriation</b>		
General Reserves	70.00	70.00
Dividend Tax set-off in respect of dividend from subsidiary	-	-
Dividend on equity shares	-	360.00
Tax on Dividend	-	74.00
Balance carried to Balance Sheet	5307.77	4219.37
<b>Total</b>	<b>5377.77</b>	<b>4723.37</b>

### HIGHLIGHTS OF PERFORMANCE AND STATE OF THE COMPANY'S AFFAIRS

The total revenue for FY 2020-21 increased to ₹ 13,882.69 lakhs as compared to ₹ 12,589.81 lakhs in FY 2019-20. The profit for the year stands at ₹ 1,158.41 lakhs as compared to ₹ 777.18 lakhs in FY 2019-20.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

### AMOUNT, IF ANY, WHICH IT PROPOSES TO CARRY TO ANY RESERVES

Your Company has transferred ₹ 70 lakhs from its FY 2020-21 profits to General Reserves (previous year 70 lakhs).

### DIVIDEND

The Board of Directors has recommended a final dividend of ₹ 44.00 (Rupees Forty four Only) on each fully paid up and issued equity share of ₹ 10 each (previous year - nil) for the financial year ended 31<sup>st</sup> March 2021. The outflow on this account would be ₹220.00 lakhs.



### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The Company continues measures to reduce energy consumption at its plants and offices by improving energy intensive manufacturing. The Company has not adopted any alternate source of energy but took adequate steps for efficiently utilizing the current source of energy. There were no conservation of energy and technology absorption during the year.

During the period under review, the foreign exchange earnings and out-go were as under:

(i)	Foreign Exchange earnings	:	₹ 43,703,512.28
(ii)	Foreign Exchange spent	:	₹ 82,035,742.10

### EXTRACT OF THE ANNUAL RETURN

Details forming part of the extract of the annual return in form MGT-9 is annexed herewith as Annexure 1.

### NUMBER OF BOARD AND COMMITTEE MEETINGS

#### BOARD MEETINGS

During the year, Five (5) Board Meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Name of Director	Designation	Board Meetings entitled to attend	Board Meetings attended
Mr. Nirmal V. Shah	Managing Director	5	5
Mr. Sameer V. Shah	Director	5	5
Mr. Mahendra Ghelani	Independent Director	5	4
Mr. Vinod J. Deshpande	Director	5	5
Mr. Satish N. Chilekar	Independent Director	5	4

#### COMMITTEE MEETINGS

##### Composition of Audit Committee and attendance of Members:

Name of the Member	Designation	Meetings / Attendance			
		28-May-20	07-july-20	31-Oct-20	09-Jan-21
Mr. Nirmal V. Shah	Chairman	P	P	P	P
Mr. Satish Chilekar	Member	P	P	P	P
Mr. Mahendra Ghelani	Member	P	P	P	P

**P – Present, A-Absent**

##### Composition of Nomination and Remuneration Committee and attendance of Members:

Name of the Member	Designation	Meetings / Attendance
		28-May-20
Mr. Sameer Shah	Chairman	P
Mr. Satish Chilekar	Member	P
Mr. Mahendra Ghelani	Member	P

**P – Present, A-Absent**

##### Composition of Corporate Social Responsibility Committee and attendance of Members:



Name of the Member	Designation	Meetings / Attendance
		28-May-20
Mr. Nirmal Shah	Chairman	P
Mr. Sameer Shah	Member	P
Mr. Mahendra Ghelani	Member	P

**P – Present, A-Absent**

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them and in terms of Section 134(3)(c) of the Companies Act, 2013, Directors on the Board state that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR**

During the year under review, Mr. Nirmal V. Shah was re-appointed as Managing Director of the Company for a period of three years w.e.f. 1<sup>st</sup> April, 2021. Mr. Vinod J. Deshpande was designated as Executive Director for a period of three years w.e.f. 1<sup>st</sup> August, 2019 and the Members approval was obtained in the Annual General Meeting of the Company held on 17<sup>th</sup> July, 2020.

Mr. Vinod J. Deshpande, Director retires by rotation and being eligible offers himself for re-appointment at the ensuing AGM.

Due to the Covid-19 Pandemic the Directors of your Company took voluntary deduction of 25% in their remuneration / sitting fees for the period from Apr-Aug 2020.

#### **REMUNERATION TO MANAGING/EXECUTIVE DIRECTOR**

During FY 2020-21, Mr. Nirmal V. Shah, Managing Director received ₹ 35.51 lakhs plus incentive of ₹ 13.44 lakhs from the Company and ₹ 38.30 lakhs as remuneration from Chembond Chemicals Limited, Holding Company. Mr. Vinod J. Deshpande, Executive Director of the Company received ₹ 79.94 lakhs plus incentive of ₹ 9.43 lakhs as remuneration.

#### **POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION**

The Company has put in place appropriate policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act.



#### **DECLARATION BY INDEPENDENT DIRECTORS AND REGISTRATION AS ID**

All the Independent Directors of the Company have furnished a declaration to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act.

As per the notification of Ministry of Corporate Affairs, the Independent Directors of your Company have registered themselves with Indian Institute of Corporate Affairs (IICA).

#### **DEPOSITS**

Details relating to deposits, covered under Chapter V of the Act are given below:

I. Accepted during the year

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and rules framed thereunder.

II. Remained unpaid or unclaimed as at the end of the year

There are no deposits remaining unpaid or unclaimed as at the end of the year.

III. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved (i) at the beginning of the year; (ii) maximum during the year; (iii) at the end of the year

There have been no defaults.

#### **DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE ACT:**

The Company has not received any deposit as such.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No significant and material order has been passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

#### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments during the period under review which may affect the financial position of the Company.

#### **CHANGES IN SHARE CAPITAL STRUCTURE**

During the year under review there has been no change in the share capital structure of the Company.

#### **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS (IFC) WITH REFERENCE TO THE FINANCIAL STATEMENTS**

For the year ended 31<sup>st</sup> March 2021, the Board believes that the Company has sound IFC commensurate with the nature and size of its business operations; wherein controls are in place and operating effectively and no material weaknesses have been noticed. The Company has a process in place to continuously monitor the existing controls and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company's operation.

#### **STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY**

The Company does not have any Risk Management Policy, However, the Audit Committee reviews the risks at regular intervals.



**DETAILS ABOUT THE POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR**

The criteria prescribed under Section 135 of the Companies Act, 2013 (the Act) with respect to constituting CSR Committee, adopting CSR policy and spending amount on CSR activities in accordance with the Act is applicable to your Company. The Company has framed CSR Policy and constituted CSR Committee.

The key philosophy of all CSR initiatives of the Company is guided by three core commitments of Scale, Impact and Sustainability. During the year, the Company has spent Rs.22.40 Lakhs on CSR activities. The Company has identified focus areas of engagement which have been enumerated in the Annual Report on CSR Activities attached as Annexure 2.

**AUDITORS AND AUDITOR'S REPORT**

**Statutory Auditor**

The Statutory Auditors of your Company, M/s. Bathiya & Associates LLP (Firm Registration No.: 101046W/W100063) were re-appointed for a term of 5 years, subject to the approval of Members, from the conclusion of the ensuing 36<sup>th</sup> Annual General Meeting (AGM) of the Company till 41<sup>st</sup> Annual General Meeting i.e. for the audit of the financials of the Company from 1<sup>st</sup> April, 2021 till 31<sup>st</sup> March, 2026.

There are no comments / qualifications in Auditor's report for the financial year ended 31<sup>st</sup> March, 2021.

**Cost Auditor**

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has carried out audit of cost records of FY 2019-20. The Cost Audit Report for FY 2019-20 was filed on 12<sup>th</sup> August, 2020 in Form CRA-4.

The Board of Directors, on the recommendation of Audit Committee, has appointed M/s. Jitendrakumar & Associates, Cost Accountants, (Firm Registration No. 101561) as the Cost Auditor to audit the cost records of the Company for Financial Year 2021-22. The Company is seeking the ratification/approval of the Members for the remuneration to be paid to M/s. Jitendrakumar & Associates, Cost Accountants for the Financial Year ending 31<sup>st</sup> March 2022.

**Secretarial Auditor and Secretarial Audit Report**

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Act and the Rules made thereunder, the Board of Directors of the Company has appointed Mr. Virendra G. Bhatt, Practicing Company Secretary (C.P. No.: 124) to undertake the Secretarial Audit of the Company for the year ended 31<sup>st</sup> March, 2021.

The Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2021 has been annexed as Annexure 3 to this Report in form MR-3.

There are no Secretarial Audit observations / qualifications for the year under review.



#### **SUBSIDIARY COMPANY**

During the year, Chembond Water Technologies (Thailand) Company Limited became a Wholly-owned Subsidiary (WOS) Company of your Company. It is yet to commence business.

During the year, your Company acquired 43,04,590 (Forty Three Lakhs Four Thousand Five Hundred and Ninety only) equity shares (52%) of Chembond Clean Water Technologies Limited (CCWTL) including 6 nominee shares at Rs. 11.24/- (Rupees Eleven Paise Twenty Four only) per share from Chembond Chemicals Limited w.e.f. 22<sup>nd</sup> March, 2021. Post-acquisition CCWTL became WOS Company of your Company.

The statement containing salient features of the financial statement of subsidiary companies is annexed as Annexure 4 to this report in form AOC-1.

The financials of the Subsidiary company(ies) are not consolidated with the financial of your Company, however they are consolidated with the financials of the ultimate holding company of your Company i.e. Chembond Chemicals Limited. Company has received consent from shareholders of the Company for not consolidating financials of Chembond Clean Water Technologies Limited and Chembond Water Technologies Limited (Malaysia) Sdn. Bhd. with the Company and instead be consolidated with the ultimate holding company Chembond Chemicals Limited.

#### **RELATED PARTY TRANSACTIONS**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Suitable disclosure as required by the Indian Accounting Standards (Ind AS - 24) has been made in the notes to the Financial Statements.

#### **PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN**


The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaint were received during the year under review.

#### **ACKNOWLEDGEMENTS**

Your Board takes this opportunity to express its deep thanks to the customers, vendors, shareholders, and bankers for the faith they have reposed in the Company. Your Directors also place on record their sincere appreciation of the contribution of its employees for their competence, hard work, and cooperation.

For and on behalf of the Board of Directors of  
**Chembond Water Technologies Limited**

  
**Nirmal V. Shah**  
Managing Director  
DIN 00083853

  
**Sameer V. Shah**  
Director  
DIN 00105721



Mumbai  
1<sup>st</sup> May, 2021

**ANNEXURE 1**  
**ANNEXURE TO THE BOARDS' REPORT**  
**THE EXTRACT OF THE ANNUAL RETURN**  
**as on the financial year ended 31.03.2021**  
**[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the**  
**Companies (Management and Administration) Rules, 2014**  
**FORM MGT-9**

**I. Registration and other details**

CIN	U24110MH1984PLC143564
Registration Date	12 <sup>th</sup> December, 1984
Name of the Company	Chembond Water Technologies Limited
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and Contact details	Chembond Centre, EL-71 Mahape MIDC, Navi Mumbai 400710 Tel: 91-22-62643000 Fax: 91-22- 27681294
Whether listed Company	No
Name, address and contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli, Mumbai - 400083 Email: accounts@linkintime.co.in Fax: +91 022- 49186060 Phone: +91 022 49186000

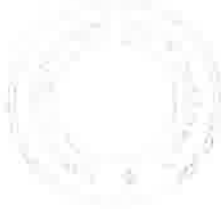
**II. Principal Business Activities of the Company**

**All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:**

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Water Treatment Chemicals and Equipments	3600	97%

**III. Particulars of Holding, Subsidiary and Associate companies:**

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ subsidiary/ associate @	% of shares held	Applicable section
1	Chembond Chemicals Limited EL-71, Chembond Centre, MIDC, Mahape, Navi Mumbai – 400710	L24100MH1975PLC018235	Holding Company	100%	2(46)
2	Chembond Clean Water Technologies Limited* EL-37, MIDC, Mahape, Navi Mumbai – 400710	U29248MH2010PLC202124	Subsidiary Company	100%	2(87)
3.	Chembond Water Technologies (Malaysia) Sdn. Bhd Suite 39.1.6, First Floor, Jalan Kenari 17C, Bandar Puchong Jaya, 47100 Puchong, Selangor Darul Ehsan, Malaysia	Foreign Company	Subsidiary Company	100%	2(87)



**Note:**

\*In March 2021, pursuant to acquisition of shares from Chembond Chemicals Limited, Chembond Clean Water Technologies has become a 100% subsidiary of the Company.

@During the year, Chembond Water Technologies (Thailand) Company Limited became a wholly owned subsidiary of your Company. It is yet to commence business.

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year 1 <sup>st</sup> April, 2020				No. of Shares held at the end of the year 31 <sup>st</sup> March, 2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	3	2	5	0.001	5	0	5	0.001	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	499,995	0	499,995	99.999	499,995	0	499,995	99.999	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other...	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>499,998</b>	<b>2</b>	<b>5,00,000</b>	<b>100</b>	<b>5,00,000</b>	<b>0</b>	<b>5,00,000</b>	<b>100</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>499,998</b>	<b>2</b>	<b>5,00,000</b>	<b>100</b>	<b>5,00,000</b>	<b>0</b>	<b>5,00,000</b>	<b>100</b>	<b>0</b>
<b>B. Public</b>									





<b>Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	0
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
<b>Sub-total (B)(2):-</b>									
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>									
<b>C. Shares held</b>	0	0	0	0	0	0	0	0	0



by Custodian for GDRs & ADRs									
<b>Grand Total (A+B+C)</b>	<b>499,998</b>	<b>2</b>	<b>5,00,000</b>	<b>100</b>	<b>5,00,000</b>	<b>0</b>	<b>5,00,000</b>	<b>100</b>	<b>0</b>

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 1 <sup>st</sup> April, 2020			Share holding at the end of the year 31 <sup>st</sup> March, 2021			% change in share holding during the year
		No. of Shares	% of Shares Pledged / encumbered to total shares	% of total Shares of the company	No. of Shares	% of Shares Pledged / encumbered to total shares	% of total Shares of the company	
1	Chembond Chemicals Limited	499,994	0	99.999	499,994	0	99.999	0
2	Mr. Sameer V. Shah Jointly Shilpa S. Shah*	1	0	0.0002	1	0	0.0002	0
3	Mr. Nirmal V. Shah Jointly Mamta N. Shah*	1	0	0.0002	1	0	0.0002	0
4	Mrs. Mamta N. Shah Jointly Nirmal V. Shah*	1	0	0.0002	1	0	0.0002	0
5	Mr. Bhadresh D. Shah Jointly Parul Shah*	1	0	0.0002	1	0	0.0002	0
6	Dr. Shilpa S. Shah Jointly Sameer V. Shah*	1	0	0.0002	1	0	0.0002	0
7	Finor Piplaj Chemicals Limited*	1	0	0.0002	1	0	0.0002	0
<b>Total</b>		<b>500000</b>	<b>0</b>	<b>100.00</b>	<b>500000</b>	<b>0</b>	<b>100.00</b>	<b>0</b>

\*Nominee shareholders of Chembond Chemicals Limited

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No.	Name of the Shareholder	Shareholding		Shareholding		Reason for change
		No of shares at the beginning of the year 1 <sup>st</sup> April, 2020	% of total Shares of the company	No of shares at the end of the year 31 <sup>st</sup> March, 2021	% of total Shares of the company	



No Change during the year

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 1 <sup>st</sup> April, 2020		Cumulative Shareholding during the year 31 <sup>st</sup> March, 2021	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	No Change during the year			
	Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No Change during the year			
	At the End of the year ( or on the date of separation, if separated during the year)	No Change during the year			

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year 1 <sup>st</sup> April, 2020		Shareholding at the end of the year- 31 <sup>st</sup> March, 2021	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Nirmal V. Shah*	1	0.0002	1	0.0002
2	Mr. Sameer V. Shah*	1	0.0002	1	0.0002

\*Nominee shareholder of Chembond Chemicals Limited

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	0.00	438.37	Nil	438.37
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	0.00	438.37	Nil	438.37
<b>Change in Indebtedness during the financial year</b>				
Addition	0.00	1.25	Nil	1.25
Reduction	0.00	-406.03	Nil	-406.03
<b>Net Change</b>	0.00	-404.78	Nil	-404.78
<b>Indebtedness at the end of the financial year</b>	0.00	33.59	Nil	33.59



i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	0.00	33.59	Nil	33.59

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. In Lakhs)

Sr. No.	Particulars of Remuneration	Nirmal V. Shah (Managing Director)	Vinod J. Deshpande (Executive Director)	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	35.51 Nil	79.94 Nil	115.45 0
2.	Stock Option	NA	N.A.	N.A.
3.	Sweat Equity	N.A.	N.A.	N.A.
4.	Incentive	13.44	9.43	22.87
5.	Commission - as % of profit - others, specify...			
6.	Others, please specify	N.A.	N.A.	N.A.
	<b>Total (A)</b>	<b>48.95</b>	<b>89.37</b>	<b>138.32</b>
	Ceiling as per the Act	As per Act/Shareholders approval.		

### B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Sameer V. Shah	Mahendra K. Ghelani	Satish N. Chilekar	Total Amount (Rs. In Lakhs)
1	Independent Directors Fee for attending board / committee meetings, Commission, Others, please specify	NA	0.64	Nil	0.64
	<b>Total (1)</b>	NA	0.64	Nil	0.64
2	Other Non-Executive Directors Fee for attending board / committee meetings, Commission, Others, please specify	Nil	NA	NA	Nil
	<b>Total (2)</b>	Nil	NA	NA	Nil
	<b>Total (B)=(1+2)</b>	Nil	0.64	Nil	0.64
	<b>Total Managerial Remuneration (A+B)</b>	138.96			
	Overall Ceiling as per the Act	As per Act/Shareholders approval.			



*C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD*


Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	NA	NA	NA
2.	Stock Option	NA	NA	NA	NA
3.	Sweat Equity	NA	NA	NA	NA
4.	Commission - as % of profit - others, specify	NA	NA	NA	NA
5.	Others, please specify	NA	NA	NA	NA
	Total	Nil	Nil	Nil	Nil

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

No penalties/punishment/compounding of offences were levied on the Company or Director or any of its officers during the year under review.

For and on behalf of the Board of Directors of  
**Chembond Water Technologies Limited**

  
**Nirmal V. Shah**  
Managing Director  
DIN: 00083853

  
**Sameer V. Shah**  
Director  
DIN: 00105721



Mumbai  
1<sup>st</sup> May, 2021

## Annexure-2

### Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2020-21 [Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

**1. Brief outline on CSR Policy of the Company:**

The Company has done various CSR activities through Visan Trust in the areas of education to underprivileged children, healthcare, women empowerment, health training and vocational training center etc. Some of the Projects are Visan Trust Girls Education Project and Chembond Children's Centre which runs non-formal education centres at Pasthan and Shirgaon near Tarapur.

**2. Composition of CSR Committee:**

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Nirmal V. Shah	Chairman/Managing Director	1	1
2	Mr. Sameer V. Shah	Member/Director	1	1
3	Mr. Mahendra Ghelani	Member/Independent Director	1	1

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:**

<https://www.chembondwater.com>

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):**

NA

**5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (Rs in lakhs)	Amount required to be set-off for the financial year, if any (Rs in lakhs)
1	-	Nil	Nil

**6. Average net profit of the company as per section 135(5): Rs. 1,117.43 lakhs**

**7. (a) Two percent of average net profit of the company as per section 135(5): Rs.22.35 lakhs**

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:**  
Nil

**(c) Amount required to be set off for the financial year, if any:** Nil

**(d) Total CSR obligation for the financial year (7a+7b-7c):** Rs. 22.35 lakhs



8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the financial year (Rs.in lakhs)	Amount Unspent (Rs. in lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
22.40	Nil	NA	NA	NIL	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sl No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (inRs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (inRs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
-	-	-	-	-	-	-	NIL	NIL	-	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year:



1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities inschedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (Rs. in lakhs)	Mode of implementati on-Direct (Yes/No)	Mode implementation Through implementi agency	
				State	District			Name	CSR registratio nnumber
1.	Promotion of Education, Women empowerment and vocational training	(ii), (iii) and (vii)	Yes	Maharasht ra	Palghar	14.95	No	Visan Trust	Registration i process
2.	COVID support - PM CARES Fund	(viii)	Yes	PAN India		7.45	No	PM CARES Fund	-
<b>TOTAL</b>						<b>22.40</b>			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs.22.40 lakhs

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (Rs.in lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	22.35
(ii)	Total amount spent for the Financial Year	22.40
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.05
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.05

9. (a) Details of unspent CSR amount for the preceding three financial years: Nil





(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year(asset-wise details):

(a) Date of creation or acquisition of the capital asset(s): NA

(b) Amount of CSR spent for creation or acquisition of capital asset: NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): NA

Mumbai  
1<sup>st</sup> May, 2021



**Nirmal V. Shah**  
Chairman, CSR Committee



**Sameer V. Shah**  
Director



**Annexure 4 to Boards' Report**

**Form AOC-1**

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint venture as on 31<sup>st</sup> March, 2021**

**Part "A": Subsidiaries**

**(Rs.in Lakhs)**


Sr. No.	Name of subsidiary	Date since when the subsidiary was incorporate or acquired	Reporting Period	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Shareholding
1	Chembond Water Technologies (Malaysia) Sdn. Bhd.	24.07.19	01.04.20 to 31.03.21	RM**	29.30	44.17	104.13	30.65	---	137.88	15.47	4.85	10.62	-	100
2	Chembond Clean Water Technologies Limited	22.03.2021	22.03.21-31.03.21	INR	827.81	115.83	1,280.90	337.27	340.05	1,167	177.16	77.48	99.68	-	100*

- \*100% Equity Shares acquired during the FY 2020-21.
- \*\* Malaysia Ringgit- 1RM = INR 17.66 as on 31.03.2021.

1. Name of Subsidiaries which are yet to commence operations: Chembond Water Technologies (Thailand) Company Limited, Wholly-Owned Subsidiary of your Company is yet to commence operations.
2. Names of Subsidiaries which have been liquidated and sold during the year: None

For and on behalf of the Board of Directors of  
**Chembond Water Technologies Limited**

  
**Nirmal V. Shah**  
Managing Director  
DIN 00083853

  
**Sameer V. Shah**  
Director  
DIN 00105721



Mumbai  
1<sup>st</sup> May, 2021

**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**Chembond Water Technologies Limited**

**Report on the Audit of the Financial Statements:**

**Opinion**

We have audited the financial statements of Chembond Water Technologies Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, the statement of Profit and Loss (including other comprehensive loss), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2021, and profit and other comprehensive loss, 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 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 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.

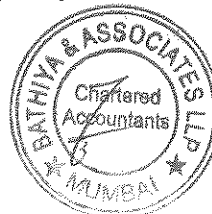
**Emphasis of Matter – Effects of COVID-19**

We draw attention to Note 45 in the financial statements, which describes the uncertainties and the impact of the Covid-19 pandemic on the Company's operations and financial statements as

**Bathiya & Associates LLP**

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Court Naka, Station Road,  
Thane (W) - 400 601.

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bathiya.com



assessed by the management. The actual financial impact may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.

### **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 Directors Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 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 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. We have nothing to report in this regard.

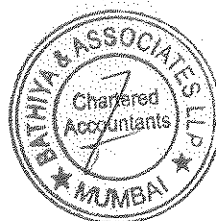
### **Responsibilities of management and Those Charged with Governance for the Financial Statements**

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 financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the India 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.



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

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative



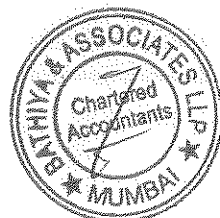
factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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


1. As required by Companies (Auditor's Report) Order, 2016 ("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 the paragraph 3 and 4 of the Order, to the extent applicable.
2. 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 financial statements have been kept by the Company so far as it appears from our examination of those books;
  - c. The balance sheet, the statement of profit and loss, the statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of these financial statements;
  - d. In our opinion, the aforesaid 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 31<sup>st</sup> March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021, from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. 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**"; and
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:

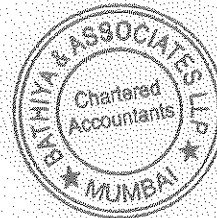


- i. There were no pending litigations which would impact the financial position of the Company.
  - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amount required to be transferred to Investor Education and Protection Fund by the Company in accordance to the provision of the Act, and rules made there under.
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 the directors during the year ended 31<sup>st</sup> March, 2021 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



**Place :** Mumbai  
**Date :** May 01, 2021  
**UDIN :** 21134767AAAABV4656

## 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, 2021)

**Report on Companies (Auditor's Report) Order, 2016 ("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.**

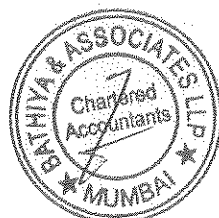
(i) In respect of Fixed Assets:

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As per the information and explanations given to us, some of the fixed assets of the Company have been physically verified during the year by the management in accordance with a phased program of verification designed to cover all assets 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. No material discrepancies were noticed on such verification.
- (c) The Company does not hold any immovable property. Therefore, in our opinion, clause (i) (c) of the aforesaid Order is not applicable to the Company.

(ii) In respect of its Inventories:

As per the information and explanations given to us, the physical verification of inventories has been conducted at reasonable intervals by the management and as explained to us the discrepancies noticed on verification between the physical stocks and the book records were not material.

- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, clause (iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act, in respect of investments. The Company has not given loans, given guarantees and provided securities covered by provisions of Section 185 and 186 of the Act.
- (v) The Company has not accepted any deposits from the public during the year under sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Therefore, clause (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) In respect of statutory dues:

- (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 income tax, Goods and Service Tax, customs duty and cess which were in arrears, as at 31<sup>st</sup> March, 2021 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, Value Added 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 Value Added Tax and income tax wherein the following disputes are pending:

Name of statute	Amount (Rs. In Lakhs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Income Tax	3.05	2008-09	Deputy Commissioner of Income Tax, Mumbai
Income Tax (TDS)	1.39	Various Years (including 2017-18)	Assistant Commissioner of Income Tax, Centralised Processing Cell – TDS
Maharashtra Value Added Tax Act	6.29	2013-14	Dy. Commissioner of State Tax, Maharashtra
<b>TOTAL</b>	<b>10.73</b>		

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayments of dues to the banks, financial institutions, Government or debenture holders.
- (ix) 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 initial public offer or further public offer (including debt instruments) or term loan during the year. Therefore, the clause (ix) of the aforesaid Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of fraud by the Company or any fraud on the Company by its officers or employees noticed or reported during the year, nor we have been informed of such case by the management.
- (xi) On the basis of records of the Company examined by us and according to the information and explanations given to us, the managerial remuneration has been paid and/or provided



in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

- (xii) The Company is not a Nidhi company, hence the clause (xii) of the aforesaid Order is not applicable to the Company.
- (xiii) On the basis of records of the Company examined by us and according to the information and explanations given to us, the Company has entered into all transactions with related parties in compliance with Section 177 and Section 188 of the Act, where applicable and the same is disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotments or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, clause (xiv) of the aforesaid Order is not applicable to the Company.
- (xv) On the basis of records of the Company examined by us and according to the information and explanations given to us, we are of the opinion that the Company has not entered into any non-cash transactions with directors or persons connected with directors. Therefore, clause (xv) of the aforesaid Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence clause (xvi) of the aforesaid Order is not applicable to the Company.

For **Bathiya & Associates LLP**  
Chartered Accountants  
Firm's registration number: 101046W/W100063



**Jatin A. Thakkar**  
Partner  
Membership Number: 134767

Place: Mumbai  
Date: May 01, 2021



## **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 March 31, 2021)

### **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 Water Technologies Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the 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 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.

## 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 March 31, 2021, 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.

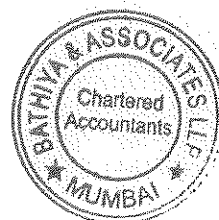
For **Bathiya & Associates LLP**  
Chartered Accountants  
Firm Registration No. 101046W / W100063

  
**Jatin A. Thakkar**

Partner  
Membership No.: 134767

Place : Mumbai

Date : May 01, 2021



**Chembond Water Technologies Limited**  
**Balance Sheet as at 31st March 2021**

	Notes	As at 31/03/2021 (Rs. In lakhs)	As at 31/03/2020 (Rs. In lakhs)
<b>I ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	390.65	413.00
(b) Other Intangible Assets	3	6.59	10.59
<b>(c) Financial Assets</b>			
i) Investments	4	1,287.27	698.44
ii) Other financial assets	5	333.21	733.58
(d) Deferred tax assets (net)		36.25	0.00
(e) Income tax asset (net)	6	159.59	210.21
(f) Other non-current assets	7	10.73	10.73
<b>Total Non - Current Assets</b>		<b>2,226.29</b>	<b>2,077.44</b>
<b>2 Current Assets</b>			
(a) Inventories	8	774.05	498.58
<b>(b) Financial Assets</b>			
i) Investments	9	0.29	59.91
ii) Trade receivables	10	4,217.98	3,896.67
iii) Cash and cash equivalents	11	473.44	69.26
iv) Other bank balances	12	1,136.36	710.00
v) Loans	13	5.26	3.65
vi) Other financial assets	14	21.90	29.10
(c) Current Tax (Net)	15	0.00	36.01
(d) Other current assets	16	249.23	136.71
<b>Total Current Assets</b>		<b>6,876.52</b>	<b>5,241.89</b>
<b>Total Assets</b>		<b>9,104.80</b>	<b>7,319.34</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Share capital	17	50.00	50.00
(b) Other equity	18	6,265.82	5,105.56
<b>Total Equity</b>		<b>6,315.82</b>	<b>5,155.56</b>
<b>2 Non-Current Liabilities</b>			
<b>(a) Financial liabilities</b>			
i) Borrowings	19	33.59	38.37
(b) Provisions	20	60.02	43.64
(c) Deferred tax liabilities (Net)	21	0.00	3.87
<b>Total Non - Current Liabilities</b>		<b>93.61</b>	<b>85.89</b>
<b>3 Current liabilities</b>			
<b>(a) Financial liabilities</b>			
i) Borrowings	22	0.00	400.00
ii) Trade payables			
Trade payables -MSMED	23	129.20	254.67
Trade payables -Others	23	1,938.07	1,018.57
iii) Other financial liabilities	24	364.91	300.23
(b) Other current liabilities	25	262.23	103.72
(c) Provisions	26	0.97	0.70
<b>Total Current Liabilities</b>		<b>2,695.37</b>	<b>2,077.89</b>
<b>Total Equity and Liabilities</b>		<b>9,104.80</b>	<b>7,319.34</b>
Significant Accounting Policies and Notes on Financial Statements		1-49	

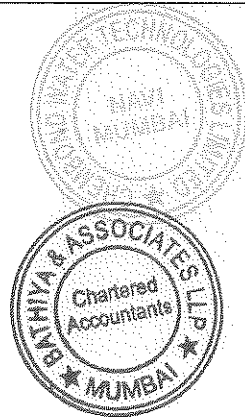
As per our attached report of even date

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

*Jatin A. Thakkar*

Jatin A. Thakkar  
Partner  
Membership No. : 134767

Place : Mumbai.  
Date: 01st May 2021



For and on behalf of the Board of Directors  
Chembond Water Technologies Limited  
CIN: U24110MH1984PLC143564

*Nirmal V. Shah*      *Sameer V. Shah*      *Vinod J. Deshpande*  
Nirmal V. Shah      Sameer V. Shah      Vinod J. Deshpande  
Director              Director              Director  
DIN : 00083853      DIN: 00105721      DIN: 07529370


Place : Mumbai.      Place : Mumbai.      Place : Mumbai.  
Date: 01st May 2021      Date: 01st May 2021      Date: 01st May 2021

**Chembond Water Technologies Ltd.**  
**Statement of Profit and Loss for the year ended 31st March 2021**

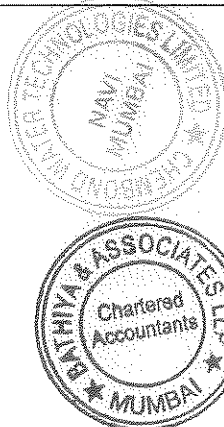
	Notes	As at 31/03/2021 (Rs. In lakhs)	As at 31/03/2020 (Rs. In lakhs)
I Revenue From Operations	27	13,765.15	12,429.73
II Other Income	28	117.54	160.08
III Total Revenue (I+II)		13,882.69	12,589.81
IV Expenses :			
Cost of Materials Consumed	29	6,418.67	5,749.20
Purchases of Stock-in-trade	30	467.25	348.12
Changes in Inventories of Finished goods and Stock-in-Trade		(76.12)	66.59
Employee Benefits Expense	32	2,428.29	2,604.03
Finance Costs	33	41.02	82.60
Depreciation and Amortisation expense	34	90.91	87.14
Other Expenses	35	2,998.18	2,619.17
Total Expenses		12,368.21	11,556.85
V Profit before Exceptional items and Tax		1,514.48	1,032.97
VI Exceptional Items		-	-
VII Profit before Tax		1,514.48	1,032.97
VIII Tax Expense			
Current Tax		433.68	271.67
Deferred Tax		(40.13)	(15.88)
Short/Excess provision of IT for earlier year		(37.48)	-
Total Tax Expense		356.07	255.78
IX Profit for the Year		1,158.41	777.18
X Other Comprehensive Income			
1 i) Items that will not be reclassified to profit or loss		2.47	(15.48)
ii) Income Tax relating to items that will not be reclassified to profit or loss		(0.62)	3.97
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)		1.85	(11.51)
Total Comprehensive Income (IX+X)		1,160.26	765.67
XI Earning Per Equity Share of Face Value of Rs. 10 each	42		
Basic (in Rs.)		231.68	155.44
Diluted (in Rs.)		231.68	155.44
Significant Accounting Policies and Notes on Financial Statements	1-49		

As per our attached report of even date

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

  
**Jatin A. Thakkar**  
Partner  
Membership No. : 134767

Place : Mumbai.  
Date: 01st May 2021



For and on behalf of the Board of Directors  
Chembond Water Technologies Limited  
CIN: U24110MH1984PLC143564

    
**Nirmal V. Shah**      **Sameer V. Shah**      **Vinod J. Deshpande**  
Director                      Director                      Director  
DIN : 00083853          DIN: 00105721          DIN: 07529370

Place : Mumbai.      Place : Navi Mumbai.      Place : Navi Mumbai.  
Date: 01st May 2021      Date: 01st May 2021      Date: 01st May 2021

Chembond Water Technologies Limited  
Cash Flow Statement for the Year ended 31st March, 2021  
( All amount are in rupees lakhs, except per share data and unless stated otherwise)

Particulars	Year ended 31st March, 2021		Year ended 31st March, 2020	
<b>A. Cash Flow From Operating Activities</b>				
Profit before tax		1,514.48		1,032.97
<b>Adjustments for:</b>				
Depreciation and Amortization	90.91		87.14	
Loss on Sale of Property,Plant & Equipement	2.76		0.76	
Finance Cost	41.02		82.60	
		134.69		170.50
<b>Less :</b>				
Interest on bank deposits and loans at amortised cost	96.72		86.36	
Other Comprehensive Income		(96.72)		(86.36)
Operating profit before working capital changes		1,552.45		1,117.11
<b>Adjustments for</b>				
Trade and Other Receivables	(118.50)		613.28	
Inventories	(275.47)		68.09	
Trade and Other Payables	1,033.25		(682.94)	
Other Financial Assets			389.89	
Other Assets(Income Tax asset)				
Other Liabilities and Provisions				
Adjustment in Retained earnings of June			9.75	
		639.27		398.07
Cash generated from operating activities		2,191.73		1,515.17
Income taxes paid (Net of Refund)		(412.84)		(303.71)
<b>Net cash generated from operating activities (A)</b>		<b>1,778.89</b>		<b>1,211.46</b>
<b>B. Cash Flow From Investing Activities</b>				
Payment to acquire Property, plant & equipments		(69.42)		(117.14)
Proceeds from Sale of Property, plant & equipments		1.00		0.38
Purchase of Investment		(894.12)		(468.98)
Sale of Investment		364.89		360.00
Dividend Income		0		
Loans given to Employees		(1.62)		(0.14)
Interest on bank deposits and loans at amortised cost		96.72		86.36
<b>Net cash used in investing activities (B)</b>		<b>(502.54)</b>		<b>(139.53)</b>
<b>C. Cash Flow From Financing Activities:</b>				
Proceeds/(Repayment) of long Term Borrowings		(4.79)		1.22
Proceeds/(Repayment) of Short Term Borrowings		(400.00)		90.37
Dividend paid				(434.00)
Finance Cost		(41.02)		(82.60)
<b>Net cash used in financing activities ( C )</b>		<b>(445.81)</b>		<b>(425.00)</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>		<b>830.54</b>		<b>646.93</b>
Cash and Cash Equivalents and Other Bank Balances as on Opening		779.26		132.33
Cash and Cash Equivalents and Other Bank Balances as on Closing		1,609.80		779.26

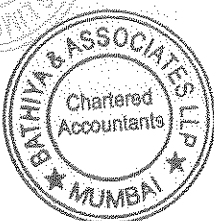
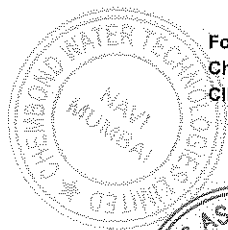
As per our attached report of even date

For Bathiya & Associates LLP  
Chartered Accountants  
FRN - 101046WW/100063

*Jatin A. Thakkar*

Jatin A. Thakkar  
Partner  
Membership No. : 134767

Place : Mumbai.  
Date : 01st May 2021



For and on behalf of the Board of Directors  
Chembond Water Technologies Limited  
CIN: U24110MH1984PLC143564

*Nirmal V. Shah*

Nirmal V. Shah  
Director  
DIN : 00083853

Place : Mumbai.  
Date : 01st May 2021

*Sameer V. Shah*

Sameer V. Shah  
Director  
DIN: 00105721

Place : Mumbai.  
Date : 01st May 2021

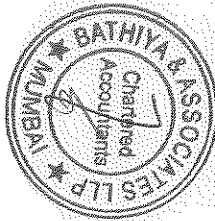
*Vinod J. Deshpande*

Vinod J. Deshpande  
Director  
DIN: 07529370

Place : Mumbai.  
Date : 01st May 2021

3 Property, plant and equipment, Intangibles and Capital work in progress as at 31st March, 2021

Description	GROSS BLOCK (AT COST)			DEPRECIATION INCLUDING AMORTISATION			NET BLOCK			
	As at 1.04.2020	Additions	Deductions	As at 31.03.2021	As at 1.04.2020	Additions	Deductions	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
Property, plant and equipment										
Tangible Assets										
Equipment & Machinery	641.91	55.58	5.64	691.84	239.66	77.98	1.89	315.75	376.09	402.25
Computers	41.38	8.07	-	49.45	30.07	5.41	-	35.48	13.97	11.31
Furniture & Fixtures	0.68	-	-	0.68	0.34	0.04	-	0.38	0.30	0.34
Motor Cars	-	0.34	-	0.34	-	0.05	-	0.05	0.29	0.00
Electric Fittings & Installations	-	63.99	5.64	742.31	270.06	83.48	1.89	351.66	390.65	413.90
Sub-total	683.97									
Intangible Assets										
Computer Software	14.50	5.43	-	19.93	3.91	7.43	-	11.34	8.59	10.59
Sub-total	14.50	5.43	-	19.93	3.91	7.43	-	11.34	8.59	10.59
Total	698.46	69.42	5.64	762.24	273.98	90.91	1.89	363.00	399.24	424.49
Previous Year	584.32	117.14	3.00	698.46	188.70	87.14	1.87	273.98	424.49	395.62

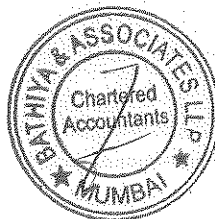




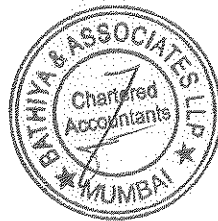
**Chembond Water Technologies Ltd.**

**Notes on Financial Statements for the year ended 31st March 2021**

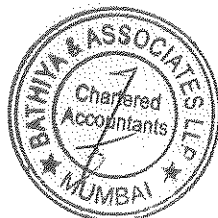
		As at 31/03/2021 (Rs. In lakhs)	As at 31/03/220 (Rs. In lakhs)
<b>4</b>	<b>Financial Assets (Non-Current)</b>		
<b>a.</b>	<b>Investments</b>		
	Investment in equity instruments of subsidiaries amortised at cost		
	Unquoted		
	82,78,056 (39,73,467) Equity Shares of Chembond Clean Water Technologies Ltd of Rs.10/- each fully paid up. (Constituting 100% (47.99%) of the said Company's paid up capital)	1,119.59	635.75
	2,00,000 (2,00,000) Equity Shares of Chembond Chemicals (Malaysia) SDN. BHD of RM.1.86/- each fully paid up (Constituting 100 % (100%) of the said Company's paid up capital)	62.68	62.68
	Other Investments amortised at Cost (Unquoted)		
	2647 (Nil) Equity Shares of Genesis Artificial Intelligence Pvt Ltd of Rs 10/- each fully paid up.	105.00	-
	<b>Total</b>	<b>1,287.27</b>	<b>698.44</b>
<b>5</b>	<b>Other Financial Assets</b> (Unsecured & considered good)		
	Fixed Deposit of Maturity of More than 12 Months - Under Lien	330.21	730.58
	Other Deposits	3.00	3.00
	<b>Total</b>	<b>333.21</b>	<b>733.58</b>
<b>21</b>	<b>Deferred Tax Asset (net)</b>		
	Deferred tax Liability		
	Depreciation	(8.54)	-
	Investments at Fair Value	(0.00)	-
	Deferred tax Asset	(8.54)	-
	Provision for Doubtful Debts	44.79	-
		44.79	-
	Net Deferred Tax Asset	36.25	-
	<b>Total</b>	<b>36.25</b>	<b>-</b>
<b>6</b>	<b>Income tax asset (net)</b>		
	Income Tax (Net of Provision)	159.59	210.21
	<b>Total</b>	<b>159.59</b>	<b>210.21</b>
<b>7</b>	<b>Other non-current assets</b>		
	VAT Refund Receivable	10.73	10.73
	<b>Total</b>	<b>10.73</b>	<b>10.73</b>
<b>8</b>	<b>Inventories</b> (At lower of Cost and Net Realisable Value)		
	Raw Material	523.94	331.78
	Packing Material	21.78	14.60
	Finished Goods	139.70	114.90
	Stock-in-Trade	88.64	37.31
	<b>Total</b>	<b>774.05</b>	<b>498.58</b>
<b>9</b>	<b>Investments (Current)</b>		
	Nil (1975.5950) Units of NIPPON INDIA	0.00	59.91
	713.570 (Nil) Units Kotak Bond Short Term Fund	0.29	-
	<b>Total</b>	<b>0.29</b>	<b>59.91</b>
<b>10</b>	<b>TRADE RECEIVABLES</b>		
	Unsecured Considered Good	4,217.98	3,696.67
	Unsecured Considered doubtful	174.78	35.88
	Less : Provision for Doubtful Debts	(174.78)	(35.88)
	<b>Total</b>	<b>4,217.98</b>	<b>3,696.67</b>
<b>a</b>	For Related party transactions Refer Note No.41		



		As at 31/03/2021 (Rs. In lakhs)	As at 31/03/2020 (Rs. In lakhs)
11	<b>CASH AND CASH EQUIVALENTS</b>		
	Balances with banks		
	In Current Accounts	473.43	69.24
	Cash on hand	0.01	0.01
	<b>Total</b>	<b>473.44</b>	<b>69.25</b>
12	<b>OTHER BANK BALANCES</b>		
	Deposit money (including deposits with original maturity of more than 3 months) - Under Lien	1,136.36	710.00
	<b>Total</b>	<b>1,136.36</b>	<b>710.00</b>
13	<b>Loans</b> (Unsecured & considered good)		
	Loan and advance to Employees	5.26	3.65
	<b>Total</b>	<b>5.26</b>	<b>3.65</b>
14	<b>OTHER FINANCIAL ASSETS</b> (Unsecured & considered good)		
	Security Deposits	21.90	29.10
	<b>Total</b>	<b>21.90</b>	<b>29.10</b>
15	<b>Current Tax (Net)</b>		
	Current Tax (Net)	0.00	36.01
	<b>Total</b>	<b>-</b>	<b>36.01</b>
16	<b>Other Current Assets</b>		
	Prepaid expenses	15.46	12.15
	Advances for supply of goods and services	193.65	114.51
	Balances with government authorities	40.12	12.05
	<b>Total</b>	<b>249.23</b>	<b>138.71</b>
17	<b>SHARE CAPITAL</b>		
	<b>Authorised</b> 10,00,000 (10,00,000) Equity Shares of Rs.10/- (Rs.10/-) each	100.00	100.00
	<b>Issued, Subscribed and Paid up</b> 500000 (500000) Equity Shares of Rs.10/- (Rs.10/-) each fully paid up	50.00	50.00
	<b>Total</b>	<b>50.00</b>	<b>50.00</b>
a	<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	500,000	500,000
	Additions during the year	-	-
	Deductions during the year	-	-
	Number of shares outstanding at the end of the year	500,000	500,000
b	<b>Details of Shareholders holding more than 5% Shares</b>		
	Name of the Shareholder	As at 31/03/2021	As at 31/3/2020
	Chembond Chemicals Limited and its nominees	No of Shares 5,00,000	No of Shares 5,00,000
	% held	100.00%	100.00%



18 OTHER EQUITY		As at 31/03/2021 (Rs. In lakhs)	As at 31/3/2020 (Rs. In lakhs)
<b>General Reserve</b>			
As per last year		901.22	831.22
Add: Transfer from Profit & Loss A/c.		70.00	70.00
		971.22	901.22
<b>Retained Earnings</b>			
As per last year		4,219.37	3,936.43
Add: Profit for the Year		1,158.41	786.93
		5,377.77	4,723.37
Less: Appropriations			
Transferred to General Reserve		(70.00)	(70.00)
Interim Dividend			(220.00)
Tax on Interim Dividend			(45.22)
Previous Year Dividend		0.00	(140.00)
Tax on previous Year Dividend		0.00	(28.78)
		(70.00)	(504.00)
<b>Other Comprehensive Income (OCI)</b>			
Remeasurements of the net defined benefit Plans			
As per last year		(15.02)	(3.51)
Movement During the Year		1.85	(11.51)
		(13.18)	(15.02)
Total		6,265.82	5,105.56
19 BORROWINGS			
<b>Unsecured</b>			
Dealer Deposits		33.59	38.37
Total		33.59	38.37
20 Provisions- Non Current			
Provision for Gratuity		60.02	43.64
Total		60.02	43.64
21 Deferred Tax Liability (net)			
Deferred tax Liability			
Depreciation		0.00	13.03
Investments at Fair Value		0.00	0.04
		-	13.07
Deferred tax Asset			
Provision for Doubtful Debts		0.00	(9.20)
		-	(9.20)
Net Deferred Tax Liability		-	3.87
Total		-	3.87
22 CURRENT BORROWINGS (Repayable on demand)			
<b>Secured</b>			
Loan from Banks		0.00	0.00
<b>Unsecured</b>			
Loan from Related Parties		0.00	400.00
Total		-	400.00



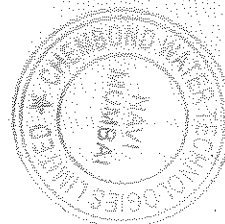
23 TRADE PAYABLES		As at 31/03/2021 (Rs. In lakhs)	As at 31/3/2020 (Rs. In lakhs)
	Micro, Small and Medium Enterprises	129.20	254.67
	Others	1,938.07	1,018.57
	<b>Total</b>	<b>2,067.27</b>	<b>1,273.24</b>
a For Related party transaction Refer Note No. 41			
b The Company has amounts due to suppliers 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:			
		2020-2021 (Rs. In lakhs)	2019-2020 (Rs. In lakhs)
	Principal amount due to suppliers under MSMED Act, 2006	129.20	254.67
	Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount	0.29	0.29
	Payment made to suppliers (other than interest) beyond the appointed day, during the year	2,023.16	2,084.44
	Interest paid/adjusted to suppliers under MSMED Act, 2006 (other than section 16)	0.00	0.00
	Interest paid/adjusted to suppliers under MSMED Act, 2006 (Section 16)	0.00	0.00
	Interest due and payable to suppliers under MSMED Act, 2006 for payments already made	0.29	0.29
	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	0.29	0.29
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.			
24 OTHER CURRENT Financial LIABILITIES			
	Creditors for Expense	122.26	70.92
	Provision for Employee Benefits Payable	242.65	229.31
	<b>Total</b>	<b>364.91</b>	<b>300.23</b>
25 OTHER CURRENT LIABILITIES			
	Advance Received From Customers	124.82	39.46
	Statutory Dues	91.85	21.36
	Other payable	45.56	42.90
	<b>Total</b>	<b>262.23</b>	<b>103.72</b>
26 SHORT-TERM PROVISIONS			
	Provision for Gratuity	0.97	0.70
	Provision for Current Tax (Net of Advance Tax)	0.00	-
	<b>Total</b>	<b>0.97</b>	<b>0.70</b>
27 REVENUE FROM OPERATIONS			
	Sales	11,928.87	10,685.81
	<b>Net Sales</b>	<b>11,928.87</b>	<b>10,685.81</b>
	<b>Sales of Services</b>		
	Technical Service income	1,745.06	1,685.52
	<b>Other Operating revenue</b>		
	Other Operating revenue	91.22	58.40
	Other Operating revenue	91.22	58.40
	<b>Total</b>	<b>13,765.15</b>	<b>12,429.73</b>



	As at 31/03/2021 (Rs. In lakhs)	As at 31/3/2020 (Rs. In lakhs)
<b>28 OTHER INCOME</b>		
Dividend from Subsidiary Company	0.00	48.00
		48.00
Profit from Sale of Mutual Funds	1.28	1.14
Interest from Bank deposits at amortised cost	96.72	85.76
Interest from Loans at amortised cost	12.34	0.59
Foreign Exchange Fluctuation Gain	0.00	16.99
Miscellaneous Income	7.19	7.43
Fair value of Investments	0.00	0.16
<b>Total</b>	<b>117.54</b>	<b>160.08</b>
<b>29 COST OF MATERIALS CONSUMED</b>		
<b>Particulars of Raw Materials Consumed</b>		
Raw Materials Consumed	5,893.88	5,305.50
Packing Material	524.79	443.70
<b>Total</b>	<b>6,418.67</b>	<b>5,749.20</b>
<b>30 PURCHASE OF STOCK-IN-TRADE</b>		
Purchases of Stock-in-trade	467.25	348.12
<b>Total</b>	<b>6,885.92</b>	<b>6,097.32</b>
<b>Break-up of Raw Material Consumed</b>		
Imported	820.36	700.89
Indigenous	6,065.66	5,396.42
<b>Total</b>	<b>6,885.92</b>	<b>6,097.32</b>
<b>31 CHANGES IN INVENTORY OF FINISHED GOODS, AND TRADED GOODS</b>		
Finished products/ Stock in Trade (At Close)	228.33	152.22
Finished products/ Stock in Trade (At commencement)	152.22	218.81
<b>Total</b>	<b>(76.12)</b>	<b>66.59</b>
<b>32 EMPLOYEE BENEFIT EXPENSES</b>		
Director Remuneration	96.52	78.79
Salaries & Wages	2,096.88	2,268.03
Gratuity	34.38	34.58
Contribution to Provident & other funds	146.94	154.06
Staff Welfare Expenses	53.57	68.68
<b>Total</b>	<b>2,428.29</b>	<b>2,604.03</b>
<b>33 FINANCE COST</b>		
Interest Expense		
- Banks	15.99	49.05
- MSMED	0.29	0.29
Bank Guarantee fees & charges	24.74	33.25
<b>Total</b>	<b>41.02</b>	<b>82.60</b>
<b>34 DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation and Amortisation Expenses	90.91	87.14
<b>Total</b>	<b>90.91</b>	<b>87.14</b>



35 OTHER EXPENSES		As at 31/03/2021 (Rs. in lakhs)	As at 31/3/2020 (Rs. in lakhs)
<b>MANUFACTURING EXPENSES</b>			
Consumable stores			
Freight Inwards		16.70	8.00
Labour Charges		508.88	426.29
Security Expenses		0.00	
	<b>A</b>	<b>525.58</b>	<b>434.28</b>
<b>ADMINISTRATIVE EXPENSES</b>			
Director's Sitting Fees		0.64	0.75
Rates & Taxes		10.13	20.18
Electricity charges		2.10	0.95
Printing and stationery		9.20	13.65
Telephone & Postage Expenses		20.89	32.23
Insurance		19.42	14.60
Computer Expense		25.06	18.92
Auditors Remuneration		4.92	4.44
Legal, Professional & consultancy fees		62.83	65.20
Repairs & Maintenance Others		23.40	21.87
Miscellaneous expenses		8.33	9.19
CSR Expenditure		22.40	23.25
Business Support Services		206.35	200.00
Lab Testing Expenses		3.81	19.10
Technical Service Expense		102.66	103.06
Stores Consumed		314.23	338.43
Foreign Exchange Fluctuation Loss		16.29	
Provision for Doubtful Debts		138.90	35.88
Bad Debts Written Off		220.51	65.02
	<b>B</b>	<b>1,212.12</b>	<b>986.72</b>
<b>SELLING AND DISTRIBUTION EXPENSES</b>			
Carriage outwards		549.54	395.33
Rent		112.09	113.94
Commission on sales		140.57	92.53
Travelling Expenses		234.21	357.53
Sales Promotion Expenses		224.07	238.83
	<b>C (A+B+C)</b>	<b>1,260.48</b>	<b>1,198.17</b>
	<b>Total</b>	<b>2,998.18</b>	<b>2,619.17</b>
<b>a Auditor's Remuneration consists of:</b>			
		<b>2020-2021 (Rs. in lakhs)</b>	<b>2019-2020 (Rs. in lakhs)</b>
Statutory Audit Fees		3.52	3.49
Tax Audit Fees		0.51	0.46
Taxation and Other Matters		0.89	0.34
Out of Pocket Expenses		-	0.15
	<b>Total</b>	<b>4.92</b>	<b>4.44</b>
<b>b Lease</b>			
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:			
		<b>Total Minimum Lease Payment Outstanding as on 31/03/2021 (Rs. in lakhs)</b>	<b>Total Minimum Lease Payment Outstanding as on 31/03/2020 (Rs. in lakhs)</b>
Due within one year		13.66	18.46
Due later than one year and not later than five years		-	0.90
Due later than five years		-	-
Lease payments recognised in the Statement of Profit & Loss		112.09	113.94
<b>42 EARNINGS PER SHARE</b>			
		<b>2020-2021</b>	<b>2019-2020</b>
Net Profit available to Equity Shareholders (Rs. in Lakhs)		1,158.41	777.18
Total number of Equity Shares (Face value of Rs. 10/- each fully paid up)		500,000	500,000
Weighted No. of Equity Shares		500,000	500,000
Basic Earnings per Share (in Rupees)		231.68	155.44
Diluted No. of Equity Shares		500,000	500,000
Diluted Earnings per Share (in Rupees)		231.68	155.44



	As at 31/03/2021 (Rs. in lakhs)	As at 31/03/2020 (Rs. in lakhs)
<b>43 SEGMENT REPORTING</b> "The Company is engaged in the manufacture of Specialty Chemicals, which in the context of IND AS 108- Operating segment specified under section 133 of the Companies Act, 2013 is considered as a single business segment of the company."		
<b>44 Contingent Liabilities not provided for are in respect of :</b>  Particulars		
<b>a. Income Tax matter</b>	4.44	11.77
(i) The demand raised by CPC, Bangalore for the AY 2018-19 amounting to Rs. 0 (Previous Year Rs. 7.33 Lakhs)		
(ii) The demand raised by Deputy Commissioner of Income Tax, Mumbai for the AY 2009-10 amounting to Rs. 3.05 Lakhs (Previous Year Rs. 3.05 Lakhs)		
(iii) The demand raised by Deputy Commissioner of Income Tax, Mumbai for the AY 2010-11 amounting to Rs. 0 (Previous Year Rs. 330)		
(iv) The demand raised by Deputy Commissioner of Income Tax, Mumbai for the AY 2011-12 amounting to Rs. 0 (Previous Year Re. 1)		
(v) The demand raised by Assistant Commissioner of Income Tax, Centralised Processing Cell - TDS for various years amounting to Rs. 1.39 Lakhs (Previous Year Rs. 1.39 Lakhs)		
<b>b. Outstanding L.C &amp; Bank Guarantees issued by Bankers.</b>	1,551.16	1,778.68
<b>c. Sales Tax matter</b>	6.29	2.22
(i) As per Vat audit report of Ranipet plant sales tax liability for AY 2017-18 amounting to Rs 0 (Previous Year Rs. 1.82 Lakhs)		
(ii) As per Vat audit report of Ranipet plant sales tax liability for AY 2017-18 amounting to Rs 0 (Previous Year Rs. 0.40 Lakhs)		
(iii) As per Vat audit report of Maharashtra Plant sales tax liability for AY 2017-18 amounting to Rs. 6.29 Lakhs (Previous Year Rs. 0)		
<b>COVID-19 Assessment:</b> COVID-19 continues to impact normal business operations of the Company and the operating environment remains challenging with the emergence of second wave of COVID. Necessary precautions to ensure hygiene, safety, and wellbeing of all our employees at all plants have been implemented. The Company has considered the possible effects COVID-19 may have on the recoverability and carrying value of its assets comprising Property Plant and Equipment, Investments, Inventories and Trade Receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is continuously evolving giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these standalone financials statements. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business		
<b>45</b> The Government of India has inserted section 115BAA in the Income Tax Act, 1961 which provides domestic companies an option to pay corporate tax at reduced rate of 22% plus applicable surcharge and cess which is effective from 1st April 2019 subject to certain conditions. During FY 2019-2020 the Company has adopted the option of reduced rate and accordingly income tax and deferred tax have been calculated.		
<b>46</b> The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.		
<b>47</b>		



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Ministry of Corporate Affairs (MCA), vide its notification dated March 24, 2021, amended Schedule III of the Companies Act, 2013 with effect from April 1, 2021. Management is of the view that since the changes are applicable from April 1, 2021, those are applicable for the financial year commencing from April 1, 2021 and are applicable to Financial statements issued in respect of accounting years commencing on or after April 1st, 2021. Therefore, related disclosures are not considered in these financial statements for the year ended on March 31, 2021, although issued after April 1, 2021.

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Previous year figures have been regrouped, reallocated and reclassified wherever necessary to confirm to current years classification and presentation.

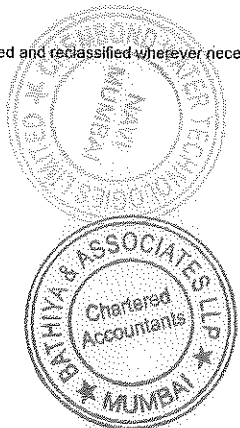
As per our attached report of even date

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

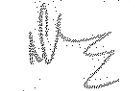


Jatin A. Thakkar  
Partner  
Membership No. : 134767

Place : Mumbai.  
Date: 01st May 2021



For and on behalf of the Board of Directors  
Chembond Water Technologies Limited  
CIN: U24110MH1984PLC143564



Nirmal V. Shah  
Director  
DIN : 00083853

Place : Mumbai.  
Date: 01st May 2021



Sameer V. Shah  
Director  
DIN: 00105721

Place : Navi Mumbai.  
Date: 01st May 2021



Vinod J. Despande  
Director  
DIN: 07529370

Place : Navi Mumbai.  
Date: 01st May 2021



## Chembond Water Technologies Limited

Notes forming part of the Financial Statements as at 31st March, 2021

### NOTE 1 - COMPANY OVERVIEW

Chembond Water Technologies Ltd. is a subsidiary of Chembond Chemicals Ltd.

Chembond is an established manufacturer of Specialty chemicals in India since 1975. We have been operating in the value added Water Treatment Solutions field since 1984 and serve diverse industries like Steel, Power, Fertilizers, Refineries, Petrochemicals, Mining, Sugar, paper and pulp, textile and Municipal corporation.

Our water management involves the use of the state-of-the-art chemical technology supported by onsite services to ensure the continuous and consistent performance monitoring of the treatment program.

The Company has been incorporated on December 12, 1984.

### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

#### Statement of Compliance

These financial statements are separate financial statements of the Company (also called standalone financial statements). The Company has prepared financial statements for the year ended March 31, 2021 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) together with the comparative period data as at and for the year ended March 31, 2020.

For all the periods up to the year ended March 31, 2017, the Company had prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

#### **A Basis of Preparation, measurement and Transition to Ind AS**

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

Effective April 1, 2017 the Company has adopted all the Ind AS standards and the adoption as carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards, with April 1, 2016 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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

#### **B Current and Non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

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 atleast 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 atleast 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.

#### **C Use of Estimates**

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.

Critical accounting estimates and assumptions

The areas involving critical estimates or judgements are:

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



#### D 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 capitalizes 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 derecognised 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.

#### Intangible Assets

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

#### Depreciation and Amortization

Depreciation on PPE has been provided based on useful life of the assets in accordance with Schedule II of the Companies Act, 2013, under Written Down Value method. Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal. Residual value for all assets (including intangible assets) are considered at 5% of cost of acquisition of an asset.

Depreciation / Amortisation methods, useful lives and residual value are reviewed at each reporting date and adjusted prospectively, if appropriate. Amortisation on Intangible asset consisting of computer softwares has been provided based on their useful life which is estimated as 3 years, under the Written Down Value method (WDV).

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

#### Capital Work-in-progress

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.

#### E Inventories

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

Cost of 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.

#### F Revenue Recognition

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

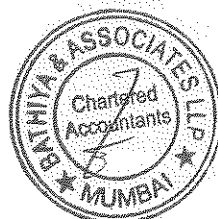
The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company.

i. Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer as per terms of Contract, usually on delivery of goods.

ii. Revenue from services is recognised pro-rata as and when services are rendered over a specified period of time. The company collects service tax / goods and service tax on behalf of the government and therefore it is not an economic benefit flowing to the company. Hence it is excluded from the revenue.

#### G Interest income is recognised using effective interest method on time proportion basis taking in to account the amount outstanding.

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.



#### H Foreign Currency Translation

The functional currency of the Company is Indian rupee (₹).

Transactions in foreign currencies entered into by the Company are accounted in the functional currency at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at functional currency closing rate of exchange at the reporting date. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss.

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

#### I Impairment of Assets

##### (i) Financial assets (other than at fair value)

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

##### (ii) Non-financial assets

###### Tangible and intangible assets

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

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of profit and loss.

#### J Retirement Benefits :

##### (a) Short term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

##### Post Employment Benefits

###### I. Defined Contribution Plan

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

###### II. Defined Benefit plans:

###### Provident Fund scheme

The Company makes specified monthly contributions towards Employee Provident Fund scheme in accordance with the statutory provisions

###### Gratuity scheme

The Company operates a defined benefit gratuity plan for employees. The Company contributes to a separate entity (a fund) administered by LIC, towards meeting the Gratuity obligation.

###### Pension Scheme:

The Company operates a defined benefit pension plan for certain specified employees and is payable upon the employee satisfying certain conditions, as approved by the Board of Directors.

###### Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

the Statement of Profit and Loss. Remeasurements of the net defined benefit liability

/(asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

##### Other Long Term Employee Benefits:

The Company does not allow any accumulation of leave balance or encashment thereof.

#### K Provision For Current & Deferred Tax

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



### Current Tax

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

### Deferred Tax

Deferred Income Tax is recognised using the Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and their carrying amount, except when the deferred income tax 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 settle its current tax assets and liabilities on a net basis.

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

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

### L 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.

### M Provision, Contingent Liabilities And Contingent Assets :

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

#### Contingent Liabilities and Contingent Assets

Contingent liability is disclosed for,

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company, or
- (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made

Contingent Assets are not recognised in the financial statements.

### N Dividend distribution to equity shareholders

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

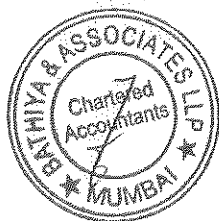
### O Lease Accounting

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

#### Company as a lessee

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

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



### 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.

### P Trade Receivables

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

### Q 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.

### R Financial Instruments

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

#### I. Cash and cash equivalents

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

#### II. Financial assets at amortised cost

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

#### III. Financial assets at fair value through other comprehensive income

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

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

#### IV. Financial assets at fair value through profit or loss

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

#### V. Financial liabilities

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

#### VI. Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the company are recognised at the proceeds received net off direct issue cost.



## Tax Reconciliation

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

Particulars	2020-21	2019-20
Current Income Tax	396.20	271.67
Deferred Tax Expense	(40.13)	(15.89)
Tax expense for the year	356.07	255.78

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

Particulars	2020-21	2019-20
Profit before income tax expense	1,514.48	1,032.97
Indian statutory income tax rate	0.26	0.26
Expected Income Tax expenses	389.10	264.70
<b>Part A</b>		
Tax effect of amounts which are not deductible (allowable) in calculating taxable income:		
Income exempt from income taxes		(10.67)
Additional allowances/deduction	49.05	16.35
Transition gain		
Others	(3.46)	1.29
Short/Excess Provision for earlier years	(37.48)	
Current Tax (A)	396.20	271.67
<b>Part B</b>		
Deferred Tax Effect at the rate of:		
Opening Deferred Tax		
Depreciation	(4.49)	(6.69)
Provision for Doubtful Debts	(35.59)	(9.20)
Investments at Fair Value	(0.04)	
	(40.13)	(15.89)
Less:		
Gratuity		
MAT Credit		
Other Deferred tax Asset		
Provision for Doubtful Debts		
Deferred Tax (B)	(40.13)	(15.89)
Tax Expense (A+B)	356.08	255.78

## 37. 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.

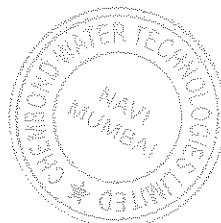
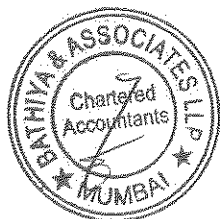
	As at 31 March 2021							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Cash and cash equivalents (Including other bank balances)			1,609.80	1,609.80				
Investments								
- Mutual Funds	1,287.56			1,287.56	1,287.56			1,287.56
Trade and other receivables			4,217.98	4,217.98				
Loans			5.26	5.26				
Other financial assets			355.11	355.11				
<b>TOTAL</b>	<b>1,287.56</b>	<b>-</b>	<b>6,188.15</b>	<b>7,475.72</b>	<b>1,287.56</b>	<b>-</b>	<b>-</b>	<b>1,287.56</b>
<b>Financial liabilities</b>								
Long term borrowings (Including current maturity of Long term borrowings)			33.59	33.59				
Short term borrowings								
Trade and other payables			2,067.27	2,067.27				
Other financial liabilities			364.91	364.91				
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>2,465.77</b>	<b>2,465.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	As at 31 March 2020							
	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)			779.26	779.26				
Investments								
- Mutual Funds	758.34			758.34	758.34			758.34
Trade and other receivables			3,696.67	3,696.67				
Loans			3.65	3.65				
Other financial assets			762.69	762.69				
<b>TOTAL</b>	<b>758.34</b>	<b>-</b>	<b>5,242.27</b>	<b>6,000.81</b>	<b>758.34</b>	<b>-</b>	<b>-</b>	<b>758.34</b>
<b>Financial liabilities</b>								
Long term borrowings (Including current maturity of Long term borrowings)			438.37	438.37				
Short term borrowings								
Trade and other payables			1,273.24	1,273.24				
Other financial liabilities			300.23	300.23				
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>2,011.84</b>	<b>2,011.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.



### 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 carrying amount of financial assets represents the maximum credit

#### 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.

#### 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

#### 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

#### b) Interest rate risk

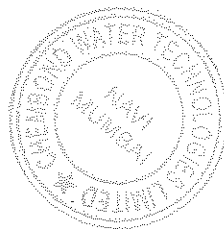
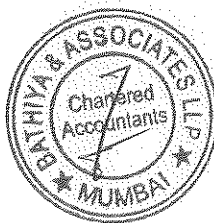
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Investment committee

### 38 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

	Year ended March 31, 2021	Year ended March 31, 2020
Contribution to Provident Fund	131.60	134.31
Contribution to Superannuation Fund	5.59	5.05
Contribution to ESIC	15.13	19.54
Contribution to Labour Welfare Fund	0.21	0.21
	<b>152.54</b>	<b>159.11</b>



**(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:

	As at 31 March 2021	As at 31 March 2020
	(Funded plan)	(Funded plan)
<b>(i) Change in Defined Benefit Obligation</b>		
Opening defined benefit obligation	320.81	220.16
Amount recognised in profit and loss		
Current service cost	31.38	32.02
Interest cost	21.65	17.06
Amount recognised in other comprehensive income		
Actuarial loss / (gain) arising from:		
Return on Plan Assets		
Financial assumptions	(1.96)	61.90
Other		
Benefits paid	(23.72)	(10.33)
Closing defined benefit obligation	348.17	320.81
<b>(ii) Change in Fair Value of Assets</b>		
Opening fair value of plan assets	276.47	187.31
Amount recognised in profit and loss		
Interest income	18.66	14.52
Amount recognised in other comprehensive income		
Actuarial gain / (loss)		
Return on Plan Assets, Excluding Interest Income	0.50	1.59
Equitable Fund Transfer in	0.00	44.83
Contributions by employer	15.25	38.55
Benefits paid	(23.72)	(10.33)
Closing fair value of plan assets	287.17	276.47
Actual return on Plan Assets	19.17	16.10
<b>(iii) Plan assets comprise the following</b>		
Insurance fund (100%)	Unquoted 287.17	Unquoted 276.47
<b>(iv) Principal actuarial assumptions used</b>		
Discount rate	% 6.73	% 6.75
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, 2021	As at 31st March, 2020
Present value of obligations as at year end	348.17	320.81
Fair value of plan assets as at year end	(287.17)	(276.47)
Net (asset) / liability recognised as at year end	60.99	44.34
Recognised under :		
Short term provisions	0.97	0.70
Long term provisions	60.02	43.64
	60.99	44.34





(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, 2021		As at 31st March, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement) - Gratuity	(35.16)	41.38	(33.62)	39.58
Future salary growth (0.5% movement) - Grat	41.69	(36.01)	39.88	(34.44)

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.

(vii) Expected future cash flows

The expected maturity analysis is as follows :	For year ended	For year ended
	31.3.2021	31.3.2020
Expected benefits for year 1	13.73	3.46
Expected benefits for year 2	22.47	17.29
Expected benefits for year 3	33.86	27.73
Expected benefits for year 4	42.60	30.91
Expected benefits for year 5	59.73	43.05
Expected benefits for year 6 and above	1239.24	1251.98

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CAPITAL MANAGEMENT

The Company's capital management objectives are:

(i) Debt equity ratio

	As at March 31, 2021	As at March 31, 2020
Debt (includes non-current, current borrowings and current maturities of long term debt)	33.59	438.37
Less : cash and cash equivalents	473.44	69.26
Net debt	0.00	369.12
Total equity	6315.82	5155.56
Net debt to total equity ratio	0.00%	7.16%

(ii) Dividend on equity shares paid during the year

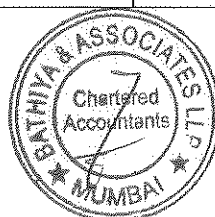
	For the year March 31, 2021	For the year March 31, 2020
<b>Dividend on equity shares</b>		
Final dividend for the year ended March 31, 2021 of Rs. NIL (previous year for year ended March 31, 2020: Rs. 28) per fully paid share	-	140.00
Dividend distribution tax on above	-	28.78
Interim dividend paid during the year ended March 31, 2021 of Rs. NIL (during previous year ended March 31, 2020: Rs. 44) per fully paid share	-	220.00
Dividend distribution tax on above	-	45.22
<b>Dividends not recognised at the end of the reporting period</b>		
The Board of Directors at it's meeting held on May 01, 2020 have recommended payment of final dividend of Rs. 44 per share of face value of Rs.10 each for the year ended March 31, 2021 (March 31, 2020: Rs. NIL per share).	220.00	-
This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting and hence not recognised as liability.		

40 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. 22.40 lakhs. (Previous Year 23.23

The Amounts expended are as follows:	For the year March 31, 2021	For the year March 31, 2020
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	22.40	23.25



41 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. **Holding Company :**  
Chembond Chemicals Limited
  - ii. **Subsidiary Company**  
Chembond Water Technologies Ltd Malaysia (Formerly know as Chembond Chemicals (Malaysia) SDN.BHD), Chembond Clean Water Technologies Ltd.
  - iii. **Associate & Fellow Subsidiary Companies:**  
Chembond Material Technologies Pvt Ltd, Chembond Biosciences Ltd., Chembond Polymers & Materials Ltd., Chembond Calva's Industrial Hygiene Systems Ltd., Phiroze Sethna Pvt Ltd., Chembond Distribution Ltd. and Gramos Chemical (India) Pvt. Ltd.
  - iv. **Key Management Personnel and their relatives (KMP)**  
Key Management Personnel:  
Sanveer V. Shah, Nirmal V. Shah, Vinod Deshpande, Mahendra K.Ghelani  
Relatives:  
Padma V. Shah, Dr. Shilpa S. Shah, Mamta N. Shah, Alpna S. Shah, Jyoti N. Mehta, Gauri N.Mehta, Karishma N.Mehta  
Entities over which Key Management personnel are able to exercise influence :  
CCL Opto Electronics Pvt Ltd., Finor Pipraj Chemicals Ltd., S and N Ventures Ltd.,GTK Intermediates Pvt. Ltd.,Visan Holdings 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	31.03.2021					31.03.2020				
	Holding Company	Subsidiary	Associate / Fellow Subsidiary	KMP	Total	Holding Company	Subsidiary	Associate / Fellow Subsidiary	KMP	Total
<b>Sales of Goods</b>										
Chembond Chemical Ltd	48.40	449.73	3.05	32.43	533.61	43.46	31.09	463.46	32.64	510.64
Chembond Material Technologies Pvt Ltd	48.40	-	-	-	48.40	43.46	-	-	-	43.46
Chembond Clean Water Technologies Ltd	-	-	1.89	-	1.89	-	-	0.36	-	0.36
Chembond Calva's Industrial Hygiene Systems Ltd	-	377.63	-	-	377.63	-	-	402.43	-	402.43
Chembond Distribution Ltd	-	-	0.23	-	0.23	-	-	-	-	-
Finor Pipraj Chemicals Ltd.	-	-	0.35	-	0.35	-	-	0.67	-	0.67
Chembond Polymers & Materials Ltd	-	-	-	32.43	32.43	-	-	-	32.64	32.64
Chembond Biosciences Ltd	-	-	0.02	-	0.02	-	-	-	-	-
Chembond Water Technologies Ltd Malaysia (Formerly know as Chembond Chemicals (Malaysia) SDN.BHD)	-	72.10	-	-	72.10	-	31.09	-	-	31.09
<b>Purchase of Goods</b>										
Chembond Chemical Ltd	176.26	301.44	113.76	1,084.83	1,676.31	410.76	-	308.36	856.25	1,575.37
Chembond Clean Water Technologies Ltd	176.26	301.44	-	-	176.26	410.76	-	-	-	410.76
Chembond Distribution Ltd	-	-	65.06	-	65.06	-	-	205.83	-	205.83
Finor Pipraj Chemicals Ltd.	-	-	-	1,084.83	1,084.83	-	-	-	856.25	856.25
Chembond Material Technologies Pvt Ltd	-	-	48.70	-	48.70	-	-	18.06	-	18.06
Chembond Calva's Industrial Hygiene Systems	-	-	-	-	-	-	-	2.22	-	2.22
GRAMOS CHEMICALS INDIA PVT LTD	-	-	0.02	-	0.02	-	-	-	-	-
<b>Purchase of Fixed Assets</b>										
Chembond Chemical Ltd	-	-	-	-	-	0.37	-	-	-	0.37
<b>Reimbursement of Expenses</b>										
Chembond Chemical Ltd	257.67	10.61	-	2.97	271.25	345.74	-	25.72	12.76	384.22
Chembond Clean Water Technologies Ltd	257.67	-	-	-	257.67	345.74	-	-	-	345.74
Finor Pipraj Chemicals Ltd.	-	10.61	-	-	10.61	-	-	25.72	-	25.72
Chembond Material Technologies Pvt Ltd	-	-	-	2.97	2.97	-	-	-	12.76	12.76
<b>Dividend Paid</b>										
Chembond Chemical Ltd	-	-	-	-	-	360.00	-	-	-	360.00
<b>Jobwork charges</b>										
Chembond Chemical Ltd	792.27	-	-	-	792.27	890.83	-	-	-	890.83
<b>Loan Received</b>										
Finor Pipraj Chemicals Ltd.	-	-	-	-	-	-	-	165.00	5.00	170.00
Chembond Clean Water Technologies Ltd	-	-	-	-	-	-	-	165.00	5.00	170.00
<b>Loan Repayment</b>										
Chembond Clean Water Technologies Ltd	-	395.00	-	95.00	400.00	-	-	-	-	-
Finor Pipraj Chemicals Ltd.	-	395.00	-	95.00	395.00	-	-	-	-	-
<b>Corporate Guarantee Fees</b>										
Chembond Chemical Ltd	19.00	-	-	-	19.00	18.43	-	-	-	18.43
<b>Dividend Income</b>										
Chembond Clean Water Technologies Ltd	-	-	-	-	-	-	-	48.00	-	48.00
<b>Rental Expenses</b>										
Chembond Chemical Ltd	50.94	-	-	3.00	53.94	50.94	-	-	3.00	53.94
Finor Pipraj Chemicals Ltd	50.94	-	-	-	50.94	50.94	-	-	-	50.94
<b>Director Remuneration</b>										
Nirmal V. Shah	-	-	-	138.32	138.32	-	-	-	94.89	94.89
Vinod J. Deshpande	-	-	-	48.95	48.95	-	-	-	49.36	49.36
<b>Director Sitting Fees</b>										
Mahendra Ghelani	-	-	-	0.64	0.64	-	-	-	0.75	0.75
<b>Balance at the end of the year</b>										
<b>A. Sundry Debtors</b>										
Chembond Chemical Ltd	11.29	202.49	0.64	10.14	224.56	9.24	-	8.60	252.80	270.65
Chembond Clean Water Technologies Ltd	11.29	-	-	-	11.29	9.24	-	-	-	9.24
Chembond Distribution Ltd	-	202.49	-	-	202.49	-	-	7.55	-	7.55
Chembond Material Technologies Pvt Ltd	-	-	-	-	-	-	-	0.79	-	0.79
Chembond Biosciences Ltd	-	-	0.63	-	0.63	-	-	0.26	-	0.26
Finor Pipraj Chemicals Ltd	-	-	0.01	-	0.01	-	-	-	-	-
<b>B. Sundry Creditors</b>										
Chembond Material Technologies Pvt Ltd	108.35	172.14	10.48	282.55	573.52	118.60	-	11.72	3.43	133.74
Finor Pipraj Chemicals Ltd	-	-	5.08	-	5.08	-	-	11.65	-	11.65
Chembond Distribution Ltd	-	-	282.55	-	282.55	-	-	-	3.43	3.43
Chembond Clean Water Technologies Ltd	-	172.14	5.40	-	177.14	-	-	-	-	-
Chembond Calva's Industrial Hygiene Systems Ltd	-	-	-	-	-	-	-	0.06	-	0.06
Chembond Chemical Ltd	108.35	-	-	-	108.35	118.60	-	-	-	118.60
<b>C. Investments</b>										
Chembond Clean Water Technologies Ltd	-	1,182.27	-	-	1,182.27	-	62.68	635.75	-	698.44
Chembond Water Technologies Ltd Malaysia (Formerly know as Chembond Chemicals (Malaysia) SDN.BHD)	-	1,119.59	-	-	1,119.59	-	-	635.75	-	635.75
<b>D. Borrowings</b>										
Finor Pipraj Chemicals Ltd	-	-	-	-	-	-	-	305.00	95.00	400.00
Chembond Clean Water Technologies Ltd	-	-	-	-	-	-	-	305.00	95.00	400.00

