

SE/CS/2020-21/24

11th July, 2020

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

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

Ref: ISIN: INE995D01025

Re: Outcome of Board Meeting.

Dear Sir / Madam,

In continuation to our letter bearing Ref. no. SE/CS/2020-21/20 dated 8th July, 2020, and pursuant to Regulations 33, 30 and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, (the Listing Regulations), we hereby inform you that the Board of Directors of the Company in its meeting held today;

- a) Considered and approved the Unaudited Financial Results (Standalone and Consolidated) for the quarter ended 30th June, 2020 which are enclosed, along with the Limited Review Report.

The meeting of Audit Committee / Board of Directors of the Company commenced at 10.15 a.m. and concluded at 2.20 p.m.

We request you to take the above on record. Thanking You

Yours faithfully,

For CHEMBOND CHEMICALS LIMITED



Suchita Singh
Company Secretary



Rashmi Gavli
Chief Financial Officer



CHEMBOND CHEMICALS LIMITED

CIN L24100MH1975PLC018235

Regd.Office: Chembond Centre, EL 71, Mahape MIDC, Navi Mumbai - 400 710

Email id: info@chembondindia.com, Website: www.chembondindia.com

Consolidated Unaudited Financial Results for the Quarter Ended 30th June, 2020

(Rs. in Lakhs)

Sr. No	Particulars	Consolidated			
		Quarter Ended		Year Ended	
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		Unaudited	Audited	Unaudited	Audited
1	Revenue from operations	5,150.01	6,314.47	7,111.04	26,804.28
2	Other Income	375.55	61.24	139.84	303.78
3	Total Income	5,525.56	6,375.71	7,250.88	27,108.06
4	Expenses				
	a. Cost of materials consumed	2,072.62	2,809.26	4,143.66	12,333.30
	b. Purchases of Stock-in trade	516.56	607.25	(138.52)	1,970.57
	c. Changes in inventories of Finished Goods, Work-in-progress and Stock-in-trade	(160.15)	(11.53)	(213.09)	(116.75)
	d. Employees Benefit Expenses	1,329.36	1,436.68	1,387.46	5,716.43
	e. Finance Costs	15.81	15.86	25.84	78.29
	f. Depreciation and Amortisation Expenses	110.80	114.38	104.27	434.80
	g. Other Expenses	978.88	1,886.79	1,381.48	5,902.21
	Total Expenses	4,863.88	6,858.69	6,691.10	26,318.85
5	Profit before exceptional Items and tax	661.68	(482.98)	559.78	789.21
6	Exceptional items	-	-	-	-
7	Profit before tax	661.68	(482.98)	559.78	789.21
8	Tax Expense				
	- Current Tax	236.56	29.47	206.09	496.05
	- Deferred Tax	21.21	4.99	(58.43)	(7.30)
	- Tax in respect of earlier years	0.09	(15.34)	-	(8.04)
9	Profit/(Loss) For the Period	403.82	(502.10)	412.12	308.50
10	Other Comprehensive Income				
	i) Items that will not be reclassified to profit or loss	(16.86)	75.44	(12.02)	39.37
	ii) Income Tax relating to items that will not be reclassified to profit or loss	1.85	(5.40)	2.30	1.38
	Other Comprehensive Income / (loss)	(15.01)	70.04	(9.72)	40.75
11	Total Comprehensive Income	388.81	(432.06)	402.40	349.25
12	Net profit/(loss) attributable to:				
	- Shareholders of the Company	368.88	(612.76)	404.23	187.29
	- Non Controlling Interests	34.94	110.66	7.89	121.21
13	Other Comprehensive Income attributable to-				
	- Shareholders of the Company	(14.73)	71.35	(9.72)	42.06
	- Non Controlling Interests	(0.28)	(1.31)	(0.00)	(1.31)
14	Paid-up equity share capital (face value of Rs 5 per share)	672.41	672.41	672.41	672.41
15	Other equity excluding Revaluation Reserve as per balance sheet	-	-	-	26,195.53
16	Earning Per Share (of Rs.5 each) (not annualised)				
	Basic and Diluted EPS	2.74	(4.56)	3.01	1.39

Notes:

- The above results for the quarter ended 30th June, 2020, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 11th July, 2020 through video conferencing.
- This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS), prescribed under Section, 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- The group 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 group.

4. The Group has decided to continue with the existing tax structure except for one subsidiary company which has provided for current and deferred tax at the rate prescribed under Section 115BAA of the Income Tax Act, 1961
5. COVID-19 has affected business operations of the Group with manufacturing, sales, supply chain, cashflows etc. continuing to be impacted. Plants of the Group operated at below capacity during this quarter. The offices and labs of the Group started operations in line with the Unlock advisory. The uncertainties associated with the situation continue to evolve and the Group is monitoring them closely. Based on the current indicators of future economic conditions, the Group expects to recover the carrying amount of its assets. The impact of COVID-19 on the consolidated financial results may differ from that estimated as at the date of approval of these results. The Group will keep adjusting as called for from time to time to best cushion the adverse impact from this scenario, if any.

6. **Additional Information on Standalone Basis are as Follows:**

Standalone Details	Quarter Ended			Year Ended
	30.06.2020	31.03.2020	30.06.2019	31.03.2020
	Unaudited	Audited	Unaudited	Audited
Revenue from operations	819.36	1,113.51	2,158.30	5,854.29
Profit/(Loss) Before Tax	346.88	(68.12)	333.85	530.81
Profit/(Loss) for the period	255.25	54.06	350.10	554.16

7. The figures for corresponding previous periods have been restated/regrouped, rearranged and reclassified wherever necessary to make them comparable.



Place : Mumbai
Date : 11th July, 2020

For CHEMBOND CHEMICALS LIMITED

Nirmal V. Shah
Vice Chairman & Managing Director



Independent Auditors' Review Report on Review of Consolidated Interim Financial Results

Limited Review Report

**To the Board of Directors of
Chembond Chemicals Limited**

1. We have reviewed the accompanying statement of Consolidated Unaudited Financial Results ("the Statement") of Chembond Chemicals Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2020 being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Regulation"), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("the Circular").
2. This statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules, as amended, read with the Circular, issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Holding Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

Bathiya & Associates LLP

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4. The Statement includes the results of the following entities:

Name of the entity	Relationship
Chembond Chemicals Limited	Holding Company
Chembond Water Technologies Limited	Subsidiary Company
Chembond Clean Water Technologies Limited	Subsidiary Company
Chembond Polymers and Materials Limited	Subsidiary Company
Chembond Calvatis Industrial Hygiene Systems Limited	Subsidiary Company
Chembond Material Technologies Private Limited	Subsidiary Company
Chembond Biosciences Limited	Subsidiary Company
Phiroze Sethna Private Limited	Subsidiary Company
Chembond Distribution Limited	Subsidiary Company
Gramos Chemicals India Private Limited	Step down Subsidiary Company
Chembond Water Technologies (Malaysia) Sdn. Bhd.	Step down Foreign Subsidiary Company

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the reports of the other auditors referred to in Paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the aforesaid Indian Accounting Standards and other accounting Principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 5 to the Consolidated Financial Results, which describes the uncertainties and the impact of the Covid-19 pandemic on the Group's operations and results as assessed by the management. The actual results may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.
7. We did not review the interim financial results of three Indian subsidiaries and one step down subsidiary included in the consolidated unaudited financial results, whose interim financial results reflects total revenue of Rs. 1,285.91 lakhs, total net loss of Rs. (221.44) lakhs and total comprehensive loss of Rs. (9.13) lakhs included in the Statement for the quarter ended June 30, 2020. These interim financial results and other financial information have been reviewed by other auditors whose reports have been furnished to us by the Management, and our conclusion on the Statement, in so far as it relates to the amounts and



disclosures included in respect of these subsidiaries is based solely on the report of such auditors and the procedures performed by us as stated in paragraph 3 above.

The financial results of a step down foreign subsidiary included in the Statement, whose financial results reflects revenue of Rs. 33.79 lakhs, net profit of Rs. 8.99 lakhs and total comprehensive Income of Nil for the quarter ended June 30, 2020 are unaudited and not reviewed by other auditors. The Holding Company's management has converted the financial results of such foreign subsidiary from accounting principles generally accepted in that country to accounting principles generally accepted in India. Accordingly, our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary is based solely on the basis of management certified unaudited financial results. According to the information and explanations given to us the Management, these financial results are not material to the Group.

Our conclusion is not modified in respect of these matters.

For **Bathiya & Associates LLP**

Chartered Accountants

Firm's Registration No. 101046W / W100063



Jatin A. Thakkar

Partner

Membership No. 134767



UDIN: 20134767AAAAAV1130

Place: Mumbai.

Date: July 11, 2020

CHEMBOND CHEMICALS LIMITED

CIN L24100MH1975PLC018235

Regd. Office: Chembond Centre, EL 71, Mahape MIDC, Navi Mumbai - 400 710

Email id: info@chembondindia.com, Website: www.chembondindia.com

Standalone Unaudited Financial Results for the Quarter ended 30th June, 2020

(Rs. in Lakhs)

Sr. No	Particulars	Quarter Ended			Year Ended
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		Unaudited	Audited	Unaudited	Audited
1	Revenue from Operations	819.36	1,113.51	2,158.30	5,854.29
2	Other Income	328.95	113.58	317.14	655.81
3	Total Income	1,148.31	1,227.09	2,475.44	6,510.10
4	Expenses				
	a. Cost of materials consumed	302.31	548.88	1,067.94	2,819.91
	b. Purchases of Stock-in trade	1.76	14.62	182.98	258.42
	c. Changes in inventories of Finished Goods, Work-in-progress and Stock-in-trade	12.41	13.43	135.58	141.64
	d. Employees Benefit Expenses	170.25	163.13	300.13	874.26
	e. Finance Costs	0.23	0.81	1.87	4.86
	f. Depreciation and Amortisation Expenses	70.81	71.52	69.11	279.84
	g. Other Expenses	243.64	482.83	383.98	1,600.38
	Total Expenses	801.41	1,295.22	2,141.59	5,979.31
5	Profit before exceptional Items and tax	346.90	(68.13)	333.85	530.79
6	Exceptional items	-	-	-	-
7	Profit before tax	346.90	(68.13)	333.85	530.79
8	Tax Expense				
	- Current Tax	76.21	(40.09)	52.99	83.29
	- Deferred Tax	15.43	(72.89)	(69.24)	(104.75)
	- Tax in respect of earlier years	-	(9.20)	-	(1.90)
9	Profit For the Period	255.26	54.05	350.10	554.15
10	Other Comprehensive Income / (loss)				
	i) Items that will not be reclassified to profit or loss	-2.40	24.73	(2.40)	17.55
	ii) Income Tax relating to items that will not be reclassified to profit or loss	0.49	(5.09)	0.49	(3.61)
	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 / (loss)	(1.91)	19.64	(1.91)	13.94
11	Total Comprehensive Income / (loss) for the period	253.35	73.69	348.19	568.09
12	Paid-up equity share capital (face value of Rs 5 per share)	672.41	672.41	672.41	672.41
13	Other equity excluding Revaluation Reserve				22,291.87
14	Earning Per Share (FV of Rs.5 each) (not annualised)				
	Basic and Diluted EPS	1.90	0.40	2.60	4.12

Notes

- The above results for the quarter ended 30th June, 2020, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 11th July, 2020 through video conferencing.
- This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS), prescribed under Section, 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- The Company is engaged in the manufacture of Specialty Chemicals, which in the context of IND AS 108- Operating segment specified under section 133 of the Companies Act, 2013 is considered as a single business segment of the company.

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Standalone Unaudited Financial Results for the Quarter ended 30th June, 2020

4. The company has evaluated the option permitted under section 115BAA of the Income Tax Act, 1961 (the "Act") as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the company has presently decided to continue with the existing tax structure.
5. COVID-19 has affected business operations of the Company with manufacturing, sales, supply chain, cashflows etc. continuing to be impacted. Plants of the Company operated at below capacity during this quarter. The offices and labs of the Company started operations in line with the Unlock advisory. The uncertainties associated with the situation continue to evolve and the Company is monitoring them closely. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial results may differ from that estimated as at the date of approval of these results. The Company will keep adjusting as called for from time to time to best cushion the adverse impact from this scenario, if any.
6. The figures for corresponding previous periods have been restated/regrouped, rearranged and reclassified wherever necessary to make them comparable.



Place : Mumbai
Date : 11th July, 2020

For CHEMBOND CHEMICALS LIMITED

A handwritten signature in blue ink, appearing to read 'N. V. Shah'.

Nirmal V. Shah
Vice Chairman & Managing Director



Independent Auditors' Review Report on Review of Standalone Interim Financial Results

Limited Review Report

**To the Board of Directors of
Chembond Chemicals Limited**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Chembond Chemicals Limited (“the Company”) for the quarter ended June 30, 2020 (“the Statement”), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (‘the Regulation’), read with SEBI circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 (‘the Circular’).
2. This Statement, which is the responsibility of the Company’s Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under section 133 of the Companies Act, 2013 read with relevant rules, as amended, read with the Circular, issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*” issued by Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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4. We draw attention to Note 5 to the Standalone Financial Results, which describes the uncertainties and the impact of the Covid-19 pandemic on the Company's operations and results as assessed by the management. The actual results may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.

5. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with aforesaid Indian Accounting Standards and other accounting principles generally accepted in India; has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Bathiya & Associates LLP**,

Chartered Accountants

Firm's Registration No. 101046W / W100063



Jatin A. Thakkar

Partner

Membership No. 134767



UDIN: 20134767AAAAAU1074

Place: Mumbai.

Date: July 11, 2020