

BATHIYA

& ASSOCIATES LLP CHARTERED ACCOUNTANTS

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 2024, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity, the 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 Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2024, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's reports 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 to those charged with governance. We have nothing to report in this regard.

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

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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. The 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.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the Company to express an opinion on the financial statements.

Materiality is the magnitude of misstatements in the 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.

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

Report on Other Legal and Regulatory Requirements

1. As required by Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in Annexure A, as required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;



- b. In our opinion proper books of account as required by law relating to preparation of the financial statements have been kept by the Company so far as it appears from our examination of those books; except for the matters stated in 3(vi) below.
 - c. The Balance sheet, the statement of Profit and Loss (including Other Comprehensive Income), 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 specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31st March, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. The modifications relating to the maintenance of accounts and other matters connected therewith in respect of audit trail are as stated in paragraph 2(b) above on reporting under section 143(3)(b) of the Act and paragraph 3(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”.
3. With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note no. 45 to the financial statements;
 - ii. the Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There 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.
 - iv. a) The management has represented that, to the best of its knowledge and belief as disclosed in note no. 42(D), no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(entities), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or like on behalf of the Ultimate Beneficiaries.
b) The management has represented that to the best of its knowledge and belief as disclosed in note no. 42(E), no funds have been received by the Company from any person(s) or entity(entities), including foreign entities (“Funding Parties”), with the Understanding, whether recorded in writing or otherwise, that the Company shall,



whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that management representations under sub-clause (a) and (b) above contain any material misstatement.

- v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
- vi. Based on our examination which included test checks, the Company has used accounting software, a payroll application and employee reimbursement for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software / application. However, audit trail feature is not enabled at the database level for accounting software to log any direct data changes as described in note no. 46 to the financial statements.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software, payroll application and employee reimbursement.

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

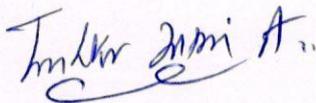
4. With respect to the matter to be included in the Auditors' Report under section 197(16):

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

For **Bathiya & Associates LLP**

Chartered Accountants

Firm Registration No. 101046W / W100063



Jatin A. Thakkar

Partner

Membership No.: 134767

UDIN : 24134767BKEATW4558

Place : Mumbai

Date : 10th May, 2024



Annexure - A to the Independent Auditors' Report

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

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

(i)

(a) [A] The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

[B] The Company has maintained proper records showing full particulars of Intangible assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment, under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.

(c) The Company does not hold any immovable property. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its property, plant and equipment and intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The Company has a working capital limit not in excess of Rs. 500.00 lakhs sanctioned by a bank based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such bank and such statements are in agreement with the books of account of the Company for the respective periods as reported in note no. 20 of the financial statements.

(iii)

(a) The Company has not provided a loan or provided advances in the nature of loans, or stood guarantee, or provided security to any other entities. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.

(b) The Company has not provided or given any guarantee, security or advances in the nature of loans during the year. In our opinion, and according to the information and explanations given to us, investments made are, prima facie, not prejudicial to the interest of the Company.

(c) The Company has not provided any loans and advances in the nature of loans, Accordingly, reporting under clauses 3(iii)(c) to 3(iii)(f) 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) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) On the basis of explanation and representation given by the management and on our broad review of the cost records maintained by the Company pursuant to the Companies (cost records and audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Act, we are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)
- (a) As per information and explanations given to us, undisputed statutory dues including provident fund, employees' state insurance, income tax, profession tax, Goods and Service Tax, custom duty, cess and other statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there has been delays in deposit in a few cases which are not serious. Further, there are no undisputed amounts payable in respect of above-mentioned statutory dues which were in arrears, as at 31st March, 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, Goods and Service Tax, custom duty, excise duty and cess, which have not been deposited on account of any dispute except in the case of the following disputes which are pending:

Name of statute	Nature of the Dues	Amount (Rs. In lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	4.63	FY 2008-09	Deputy Commissioner of Income Tax (Appeals)
Income Tax (TDS)	TDS defaults	0.32	FY 2022-23	Assistant Commissioner of Income Tax CPC-TDS
Income Tax (TDS)	TDS defaults	2.34	FY 2023-24	Assistant Commissioner of Income Tax CPC-TDS
Goods and Service Tax, 2017	Goods and Service Tax	11.92	FY 2022-23	State Tax Officer, GST Department
TOTAL		19.21		

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix)(a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.



- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) On the basis of records of the Company examined by us and according to the information and explanations given to us, the Company has not raised money by way of term loan during the year. Therefore, the clause 3(ix)(c) of the aforesaid Order is not applicable to the Company.
- (d) On an overall examination of the Financial Statement of the Company, Funds raised on short-term basis have not been used during the year for Long-term purposes by the Company..
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of initial public offer during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) In our opinion and based on our examination, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.

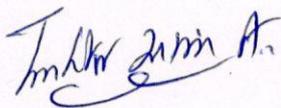


- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the plans of the Board of Directors and management, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under subsection (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Bathiya & Associates LLP**

Chartered Accountants

Firm Registration No. 101046W / W100063



Jatin A. Thakkar

Partner

Membership No.: 134767

Place : Mumbai

Date: 10th May, 2024

Annexure - B to the Independent Auditors' Report

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

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

We have audited the internal financial controls over financial reporting of Chembond Water Technologies Limited ("the Company") as of 31st March, 2024 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 authorizations of Management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

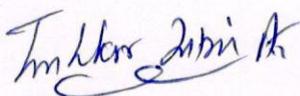
Opinion

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 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Bathiya & Associates LLP

Chartered Accountants

Firm Registration No. 101046W / W100063



Jatin A. Thakkar

Partner

Membership No.: 134767

Place : Mumbai

Date : 10th May, 2024

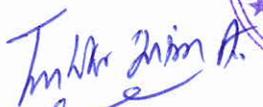
(Rs. In Lakhs except otherwise stated)

	Notes	As at 31/03/2024	As at 31/03/2023
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	424.74	425.99
(b) Other Intangible Assets	3	3.09	3.24
(c) Financial Assets			
i) Investments	4	1,275.87	1,275.87
ii) Other financial assets	5	499.00	590.95
(d) Deferred tax assets (net)	6	244.51	34.18
(e) Income tax asset (net)	7	52.84	4.10
Total Non-current assets		2,500.05	2,334.33
2 Current Assets			
(a) Inventories	8	1,075.77	1,036.52
(b) Financial Assets			
i) Investments	9	891.08	-
ii) Trade receivables	10	6,253.82	6,106.77
iii) Cash and cash equivalents	11	326.11	305.78
iv) Bank balances other than (iii) above	12	2,050.33	1,251.29
v) Loans	13	1.72	5.08
vi) Other financial assets	14	56.33	43.89
(c) Other current assets	15	31.61	50.09
Total current assets		10,686.77	8,799.43
Total Assets		13,186.82	11,133.76
EQUITY AND LIABILITIES			
Equity			
(a) Share capital	16	50.00	50.00
(b) Other equity	17	10,381.69	8,168.73
Total Equity		10,431.69	8,218.73
Liabilities			
(1) Non-Current Liabilities			
(a) Provisions	18	0.75	8.90
(b) Other non-current liabilities	19	33.12	32.04
Total Non-current liabilities		33.87	40.94
(2) Current liabilities			
(a) Financial liabilities			
i) Borrowings	20	-	-
ii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises	21	55.18	568.73
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	21	2,090.12	1,830.57
(b) Other current liabilities	22	526.74	474.80
(c) Provisions	23	49.21	-
Total current liabilities		2,721.25	2,874.09
Total Equity and Liabilities		13,186.82	11,133.76
Notes forming part of Financial statements	1-48		

As per our attached report of even date

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

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



Jatin A. Thakkar
Partner
Membership No. : 134767



Nirmal V. Shah
Director
DIN : 00083853



Sameer V. Shah
Director
DIN: 00105721



Vinod J. Deshpande
Director
DIN: 07529370

Place : Mumbai.
Date: 10th May, 2024



Place :Mumbai.
Date: 10th May, 2024

Chembond Water Technologies Ltd.
Statement of Profit and Loss for the year ended 31st March, 2024

(Rs. In Lakhs except otherwise stated)

	Notes	(Rs. In Lakhs except otherwise stated)	
		FY 2023-24	FY 2022-23
I Revenue From Operations	24	22,031.15	21,149.56
II Other Income	25	331.07	123.17
III Total Income (I+II)		22,362.21	21,272.72
IV Expenses :			
Cost of Materials Consumed	26	10,758.91	10,158.76
Purchases of Stock-in-trade	27	236.25	2,062.33
Changes in Inventories of Finished goods, Work In Progress and Stock-in-Trade	28	(76.17)	(99.01)
Employee Benefits Expense	29	3,469.34	3,257.98
Finance Costs	30	49.22	50.56
Depreciation and Amortisation expense	31	125.20	104.17
Other Expenses	32	4,563.35	3,822.19
Total Expenses (IV)		19,126.09	19,356.98
V Profit before Exceptional items and Tax (III-IV)		3,236.13	1,915.75
VI Exceptional Items		-	-
VII Profit before Tax (V+VI)		3,236.13	1,915.75
VIII Tax Expense			
(a) Current Tax		1,012.50	521.75
(b) Short/Excess provision of IT for earlier year		-	39.12
(c) Deferred Tax		(205.05)	4.77
Total Tax Expense		807.45	565.63
IX Profit for the Year (VII-VIII)		2,428.68	1,350.11
X Other Comprehensive Income			
1 i) Items that will not be reclassified to profit or loss		(20.99)	67.36
ii) Income Tax relating to items that will not be reclassified to profit or loss		5.28	(16.95)
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		(15.71)	50.41
Total Comprehensive Income (IX+X)		2,412.97	1,400.52
XI Earning Per Equity Share of Face Value of Rs. 10 each			
Basic (in Rs.)	43	485.74	270.02
Diluted (in Rs.)		485.74	270.02
Notes forming part of Financial statements As per our attached report of even date	1-48		

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



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

Jatin A. Thakkar

Jatin A. Thakkar
Partner
Membership No. : 134767

Nirmal V. Shah

Nirmal V. Shah
Director
DIN : 00083853

Sameer V. Shah

Sameer V. Shah
Director
DIN: 00105721

Vinod J. Deshpande

Vinod J. Deshpande
Director
DIN: 07529370

Place : Mumbai.
Date: 10th May, 2024



Place : Mumbai.
Date: 10th May, 2024

Chembond Water Technologies Limited
Cash Flow Statement for the Year ended 31st March, 2024
(All amount are in rupees lakhs, except per share data and unless stated otherwise)

Particulars	Year ended 31st March, 2024		Year ended 31st March, 2023	
A. Cash Flow From Operating Activities				
Profit before tax		3236.13		1915.75
Adjustments for:				
Depreciation and Amortization	125.20		104.17	
Loss on Sale of Property,Plant & Equipement	0.36		33.31	
Finance Cost	49.22		50.56	
		174.78		188.03
Less :				
Profit on sale of Investment	54.04		-	
Interest on bank deposits and loans at amortised cost	110.63		81.56	
		-164.68		-81.56
Operating profit before working capital changes		3246.23		2022.22
Adjustments for				
Trade and Other Receivables	-304.76		-1707.08	
Inventories	-39.25		-17.70	
Trade and Other Payables	-175.61		952.50	
		-519.62		-772.28
Cash generated from operating activities		2726.61		1249.93
Income taxes paid (Net of Refund)		-807.45		-450.51
Net cash generated from operating activities (A)		1919.16		799.43
B. Cash Flow From Investing Activities				
Payment to acquire Property, plant & equipments		-124.22		-169.75
Proceeds from Sale of Property, plant & equipments		0.05		0.00
Purchase of Investment		-1100.00		-2.00
Sale of Investment		262.96		-
Interest on bank deposits and loans at amortised cost		110.63		81.56
Net cash used in investing activities (B)		-850.57		-90.19
C. Cash Flow From Financing Activities:				
Dividend paid		-200.00		-100.00
Finance Cost		-49.22		-50.56
Net cash used in financing activities (C)		-249.22		-150.56
Net (decrease) / increase in cash and cash equivalents (A+B+C)		819.37		558.68
Cash and Cash Equivalents and Other Bank Balances as on Opening		1557.1		998.39
Cash and Cash Equivalents and Other Bank Balances as on Closing		2376.4		1557.07

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: 10th May, 2024



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

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

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

Vinod J. Deshpande
Vinod J. Deshpande
Director
DIN: 07529370

Place :Mumbai.
Date: 10th May, 2024

Chembond Water Technologies Limited

Part (a) Statement of changes in equity to be shown as below

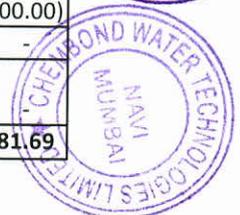
(a) Equity Share Capital

	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as on 31.03.2024
Balance as on 01.04.2023	50	0	0	50

	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as on 31.03.2023
Balance as on 01.04.2022	50	0	0	50

(b) Other Equity

Particulars	Reserves and Surplus		OCI	Total other equity
	General Reserve	Retained earnings/Profit & Loss Account	Remeasurements of the net defined benefit Plans	
Balance as at 31st March 2022	971.22	5,922.11	(25.12)	6,868.21
Profit for the year		1350.11		1,350.11
Effects of previous year transactions				0.00
				0.00
Other comprehensive income for the year			50.41	50.41
Total Comprehensive Income	-	1350.11	50.41	1400.52
				0.00
Transactions with owners of the company				0.00
Transferred to General Reserve				0.00
Interim Dividend on Equity Shares				0.00
Interim Dividend Distribution Tax				0.00
Dividend Paid		(90.00)		(90.00)
Tax on Dividend Paid		(10.00)		(10.00)
Set off of Dividend Tax in respect of Dividend from Subsidiary Company				0.00
Balance as at 31st March 2023	971.22	7,172.22	25.29	8,168.73
Profit for the year		2,428.68		2,428.68
Effects of previous year transactions				-
				-
Other comprehensive income for the year			(15.71)	(15.71)
Total Comprehensive Income		2,428.68	(15.71)	2,412.97
				-
Transactions with owners of the company				-
Transferred to General Reserve				-
Interim Dividend on Equity Shares				-
Interim Dividend Distribution Tax				-
Dividend Paid		(200.00)		(200.00)
Tax on Dividend Paid		-		-
Set off of Dividend Tax in respect of Dividend from Subsidiary Company				-
Balance as at 31st March 2024	971.22	9,400.90	9.58	10,381.69



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

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 - SUMMARY OF MATERIAL 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, 2024 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, 2023.

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).

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

1.1 Basis of Preparation of Financial Statements and Presentation

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

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

The financial statements are prepared in INR, which is the company's functional currency

2.2 Summary of Material Accounting Policies

A Property, Plant and Equipment

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

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

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to PPE is 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.

B Intangible Assets



C 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

D 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 sales is recognised when goods are supplied and control over the Goods sold is transferred to the buyer which is on dispatch/ delivery as per the terms of contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sales of the goods. This is considered the appropriate point where the performance obligations in the contracts are satisfied as the Group no longer has control over the inventory. Sales are presented net of returns, trade discounts rebates and Goods and service tax (GST).

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

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

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

G Foreign Currency Translation

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

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

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

H Impairment of Assets

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

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

(ii) Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their



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

I Retirement Benefits :

(a) Short term Employee Benefits

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

Post Employment Benefits

I. Defined Contribution Plan

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

Recognition and measurement of defined contribution plans:

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

II. Defined Benefit plans:

Provident Fund scheme

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

Gratuity scheme

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

Pension Scheme:

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

Recognition and measurement of Defined Benefit plans:

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

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

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

Other Long Term Employee Benefits:

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

J Provision For Current & Deferred Tax

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

Current Tax

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

Deferred Tax



Deferred 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.

K Earnings Per Share :

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

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

L Provision, Contingent Liabilities And Contingent Assets :

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

Contingent Liabilities and Contingent Assets

Contingent liability is disclosed for,

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

Contingent Assets are not recognised in the financial statements.

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

M Cash and Cash Equivalents

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

N Dividend distribution to equity shareholders

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

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.

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

Company as a lessor

Rental income from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such



increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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

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

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

1 Financial assets

Classification

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

Initial recognition and measurement

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

Debt instruments

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit and loss.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss.

Investments in subsidiaries, associates and joint venture

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

Equity instruments

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

Derecognition

A financial asset derecognized only when:

The rights to receive cash flows from the asset have expired, or



When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

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

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

2 Financial liabilities

Initial recognition and measurement

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

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

Financial liabilities at fair value through profit and loss

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

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

Derecognition

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

3 Hedge accounting

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

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

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

S Fair Value Measurement:

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

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

In the principal market for the asset or liability, or

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

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



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

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

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

T Segment

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

1.3 Key accounting estimates and judgements

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

The areas involving critical estimates or judgements are:

a. Property Plant & Equipment.

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

b. Provision

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

c. Taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. In assessing the realizability of deferred tax assets arising from unused tax credits, the management considers convincing evidence about availability of sufficient taxable income against which such unused tax credits can be utilized. The amount of the deferred income tax assets considered realizable, however, could change if estimates of future taxable income changes in the future

d. Defined Benefit Obligations

The cost of defined benefit gratuity plans, and post-retirement medical benefit is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty

1.4 Recent Accounting Pronouncements

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

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

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

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

Ind AS 1 – Presentation of Financial Statements

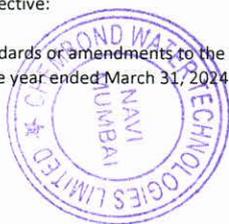
The amendments to Ind AS 1 provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant'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

Ind AS 12 – Income Taxes

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

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

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



3 Property, plant and equipment, Intangibles and Capital work in progress as at 31st March, 2024

Description	GROSS BLOCK			DEPRECIATION INCLUDING AMORTISATION			NET BLOCK		
	As at 31.03.2023	Addition	Disposal, Transfer & Adjustments	As at 31.03.2024	As at 01.04.2023	Addition	Disposal, Transfer &	As at 31.03.2024	As at 31.03.2023
Property, plant and equipment									
Plant & Equipment	699.79	114.83	0.65	813.97	286.71	117.25	0.29	403.67	410.31
Computers	49.75	8.71	1.12	57.34	37.33	7.05	1.06	43.32	14.02
Furniture & Fixtures	0.77	-	-	0.77	0.44	0.03	-	0.47	0.29
Electrical Installations & Equipment	0.34	-	-	0.34	0.18	0.04	-	0.22	0.12
Sub-total	750.65	123.54	1.77	872.42	324.67	124.37	1.35	447.68	424.74
Other Intangible Assets									
Computer Software	21.27	0.68	-	21.94	18.02	0.83	-	18.85	3.09
Sub-total	21.27	0.68	-	21.94	18.02	0.83	-	18.85	3.09
Total	771.92	124.22	1.77	894.36	342.69	125.20	1.35	466.53	427.83
Previous Year	833.44	169.75	231.27	771.92	420.81	104.17	197.97	342.69	429.23

(Rs. in Lakhs except otherwise stated)



		(Rs. In Lakhs except otherwise stated)	
		As at 31/03/2024	As at 31/03/2023
4	Financial Assets (Non-Current)		
a.	Investments		
	Investment in equity instruments of subsidiaries at cost		
	Unquoted		
	82,78,056 (82,78,056) Equity Shares of Chembond Clean Water Technologies Ltd of Rs.10/- each fully paid up. (Constituting 100% (100%) of the said Company's paid up capital)	1,119.59	1,119.59
	2,00,000 (2,00,000) Equity Shares of Chembond Water Technologies (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
	40,000 (40,000) Equity Shares of Chembond Water Technologies (THAILAND) Co.Ltd (Constituting 100 % (100%) of the said Company's paid up capital)	91.60	91.60
	20000 (20000) Equity Share Rewasoft Solutions Private Limited of Rs 10/- each fully paid up	2.00	2.00
	Total	1,275.87	1,275.87
5	Other Financial Assets		
	Fixed Deposit of Maturity of More than 12 Months - Under Lien	496.00	587.95
	Other Deposits	3.00	3.00
	Total	499.00	590.95
6	Deferred Tax Asset (net)		
	<u>Deferred Tax Asset</u>		
	Provision for Expected Credit Loss	273.11	75.22
		273.11	75.22
	<u>Deferred tax Liability</u>		
	Written Down Value of Property, Plant & Equipment	(18.07)	(41.04)
	Investments at Fair Value	(10.53)	-
		(28.60)	(41.04)
	Total	244.51	34.18
7	Income tax asset (net)		
	Income Tax (Net of Provision)	52.84	4.10
	Total	52.84	4.10
8	Inventories		
	(At lower of Cost and Net Realisable Value)		
	Raw Material	509.47	557.32
	Packing Material	38.31	27.13
	Finished Goods	509.21	398.57
	Work In Progress	5.11	5.35
	Stock-in-Trade	13.66	48.15
	Finished Goods include Finished Goods in transit amount to Rs. 172.78 lakhs as at 31st March 2024(Rs. 118.01 lakhs 31st March 2023)		
	Total	1,075.77	1,036.52
9	Investments (Current)		
	Investments in Mutual Funds carried at fair value through Profit and Loss		
	(82,778.13, NIL)HDFC Balanced Advantage Fund - Regular Plan - Growth	373.74	-
	(14,63,712.750, NIL) Unit of Kotak Balanced AF Regular Growth	261.71	-
	(5,281.753, NIL) Unit of Kotak Liquid Regular Growth	255.63	-
	Total	891.08	-
10	Trade Receivables		
	(a)Trade receivables considered good - Secured		
	(b)Trade receivables considered good - UnSecured		
	(i) Considered Good	6,253.82	6,106.77
	(ii) Credit Impaired	1,065.76	293.53
		7,319.58	6,400.30
	(c)Trade Receivables which have significant increase in Credit Risk		
	Less : Impairment loss allowance [Refer Note 10(III)]	(1,065.76)	(293.53)
	Total	6,253.82	6,106.77



(Rs. in Lakhs except otherwise stated)

I	For Trade Receivable Ageing Schedule, refer Note No. 39		
II	For Related party transactions, Refer Note No.38		
III	Movement in Credit Impaired		
	Provision at the beginning of the year	293.53	181.19
	Bad Debts written off	(3.45)	(15.60)
	Provision during the year	775.68	127.94
	Provision at the end of the year	1,065.76	293.53
11	Cash and Cash equivalents		
	Balances with banks		
	In Current Accounts	326.08	305.78
	Cash on hand	0.030	0.003
	Total	326.11	305.78
12	Bank balances other than cash and cash equivalents		
	Deposit money (Including deposits with maturity of more than 3 months) - Under Lien	2,050.33	1,251.29
	Total	2,050.33	1,251.29
13	Loans		
	(Unsecured & considered good)		
	Loan to Employees	1.72	5.08
	Total	1.72	5.08
14	Other Financial Asset		
	(Unsecured & considered good)		
	Security Deposits	56.33	43.89
	Total	56.33	43.89
15	Other Current Assets		
	Prepaid expenses	9.49	19.43
	Advances for supply of goods and services	-	22.17
	Balances with government authorities	22.13	8.49
	Total	31.61	50.09
16	Equity Share Capital		
	Authorised		
	10,00,000 (PY-10,00,000) Equity Shares of Rs.10 each	100.00	100.00
	Issued, Subscribed and Paid up		
	5,00,000 (PY-5,00,000) Equity Shares of Rs.10/- each fully paid up	50.00	50.00
	Total	50.00	50.00
a	Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year:		
	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	Details of Shareholders holding more than 5% Shares		
	Name of the Shareholder	As at 31/03/2024	As at 31/03/2023
		No of Shares	No of Shares
	Chembond Chemicals Limited (Holding Company) and its nominees	5,00,000	5,00,000
	% held	100.00%	100.00%
c	Disclosure of shareholding of promoters as at March 31, 2024 is as follows :		
	Shares held by promoters		
	As at 31st March 2024		
	Promoter's Name	No. of Shares	% of total shares
			% Change during the Year
	Chembond Chemicals Limited (Including its nominees)	500000	100%
	Total	500000	100%
	As at 31st March, 2023		
	Promoter's Name	No. of Shares	% of total shares
			% Change during the Year
	Chembond Chemicals Limited (Including its nominees)	500000	100%
	Total	500000	100%



(Rs. In Lakhs except otherwise stated)

		As at 31/03/2024	As at 31/03/2023
17	Other Equity		
	General Reserve		
	As per last year	971.22	971.22
	Add: Transfer from Profit & Loss A/c.	-	-
		971.22	971.22
	Retained Earnings		
	As per last year	7,172.22	5,922.11
	Add: Profit for the Year	2,428.68	1,350.11
		9,600.90	7,272.22
	Less: Appropriations		
	Dividends	(200.00)	(100.00)
		(200.00)	(100.00)
		9,400.90	7,172.22
	Other Comprehensive Income (OCI)		
	Remeasurements of the net defined benefit Plans		
	As per last year	25.29	(25.12)
	Movement During the Year	(15.71)	50.41
		9.58	25.29
	Total	10,381.69	8,168.73

Nature and Purpose:**General Reserve:**

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

Retained Earnings:

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

18 Provisions- Non Current**(a) Provision for employee benefits :**

Provision for Gratuity

(Rs. In Lakhs except otherwise stated)

		0.75	8.90
	Total	0.75	8.90
19	Other non-current liabilities		
	Unsecured		
	Dealer Deposits	33.12	32.04
	Total	33.12	32.04

20 Current Borrowings**Secured****Details for Cash credit facilities from banks:**

The Company has sanctioned credit facilities from Bank of India of Rs. 2400.00 lakhs (i.e cash credit facility - Rs.400.00 lakhs and Bank Guarantee - Rs.2000.00 lakhs) as of 31st March,2024 (As of 31st March 2023 amount to Rs.2400 lakhs i.e cash credit facility - Rs. 400 lakhs & Bank Guarantee of Rs. 2000 Lakhs.)

The Company has not utilised cash credit facilities at the year end.

The Company has sanctioned credit facilities from HDFC Bank of Rs. 750.00 lakhs (i.e cash credit facility - Rs.50.00 lakhs and Bank Guarantee - Rs.700.00 lakhs) as of 31st March,2024 & Rs 250 lakhs (i.e cash credit facility - Rs.50.00 lakhs and Bank Guarantee - Rs.200.00 lakhs)as of 31st March 2023.

The credit facility taken from Bank Of India carries interest rate of Bank Of India, currently 10.03% p.a. (31 March 2023: 10.25% p.a),(interest payable on monthly rests).

The credit facility taken from HDFC Bank carries interest rate of HDFC Bank, currently 9.11% p.a.(31st March 2023: 8% p.a)

The credit facility is secured by : Hypothecation of stocks and bookdebts related to treatment chemical systems

Utilisation of borrowings :

(a) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

(b) The quarterly returns/statements of current assets filed by the Company with banks or financial institutions in relation to secured borrowings wherever applicable, are in agreement with the books of accounts.



(Rs. In Lakhs except otherwise stated)

21 Trade Payables		
(a) Total outstanding dues of micro enterprises and small enterprises	55.18	568.73
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,090.12	1,830.57
Total	2,145.30	2,399.29
a For Trade Payables Ageing Schedule refer Note No.39		
b For Related party transaction Refer Note No.38		
c 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:		
	2023-2024	2022-2023
	(Rs. In lakhs)	(Rs. In lakhs)
Principal amount due to suppliers under MSMED Act, 2006	38.74	568.73
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount	-	0.35
Payment made to suppliers (other than interest) beyond the appointed day, during the year	466.18	3,401.53
Interest paid/adjusted to suppliers under MSMED Act, 2006 (other than section 16)	-	-
Interest paid/adjusted to suppliers under MSMED Act, 2006 (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, 2006 for payments already made	-	0.35
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	0.35
The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of declaration received from parties & information available with company. This has been relied upon by the Auditors.		
22 Other Current Liability		
Advance Received From Customers	-	19.95
Statutory Dues	81.46	143.85
Employee Benefits Payable	443.73	310.99
Employee Reimbursement Payable	1.55	-
Total	526.74	474.80
23 Short Term Provision		
(a) Provision for employee benefits:		
Provision for Gratuity	49.21	-
Total	49.21	-
24 Revenue from Operations		
Sale of Goods	18,673.78	18,392.33
Sales of Services	3,259.73	2,675.04
Other Operating revenue	97.64	82.18
Total	22,031.15	21,149.56
25 Other Income		
Dividend from Subsidiary Company	149.01	-
Net Gain from Sale of Investment	12.96	-
Interest from Bank deposits at Effective Interest Rate	110.63	81.56
Interest from Loans at Effective Interest Rate	0.34	4.55
Miscellaneous Income	16.20	37.06
Net Gain on Fair Valuation of Investment	41.08	-
Total	331.07	123.17
26 Cost of materials consumed		
Particulars of Raw Materials Consumed		
Raw Materials Consumed	9,993.87	9,407.49
Packing Material	765.04	751.27
Total	10,758.91	10,158.76



		(Rs. In Lakhs except otherwise stated)	
27	Purchases of stock-in-trade		
	Purchases of Stock-in-trade	236.25	2,062.33
	Total	10,995.15	12,221.09
	Break-up of Purchase of stock-in-trade		
	Imported	1,682.45	1,973.23
	Indigenous	9,312.70	10,247.86
	Total	10,995.15	12,221.09
28	Changes in inventory of Finished goods, Work in progress and Stock in trade		
	(a) Finished products/ Work in progress/Stock in Trade (At Close)		
	Finished goods	509.18	398.57
	Work In Progress	5.11	5.35
	Stock-in-trade	13.96	48.15
		528.25	452.08
	(b) Finished products/ Work in progress/Stock in Trade (At commencement)		
	Stock-in-trade	398.57	309.51
	Work In Progress	5.35	2.12
	Stock-in-trade	48.15	41.44
		452.08	353.07
	Total	(76.17)	(99.01)
29	Employee benefit expenses		
	Director Remuneration	127.03	114.22
	Salaries & Wages	3,029.55	2,822.87
	Gratuity	46.18	54.22
	Contribution to Provident & other funds	196.42	195.56
	Staff Welfare Expenses	70.16	71.12
	Total	3,469.34	3,257.98
30	Finance Cost		
	(a) Interest Expense at effective interest rate		
	- Banks	2.61	8.13
	- MSMED	-	0.35
	(b) Other borrowing costs		
	Bank Guarantee fees & charges	46.61	42.08
	Total	49.22	50.56
31	Depreciation and Amortisation expenses		
	Depreciation and Amortization Expenses	125.20	104.17
	Total	125.20	104.17
32	Other Expenses		
	Manufacturing Expenses		
	Freight Inwards	18.65	31.91
	Stores Consumed	307.54	487.53
	Labour Charges	919.91	723.37
	A	1,246.10	1,242.81
	Administrative Expenses		
	Director's Sitting Fees	1.40	0.90
	Rates & Taxes	9.04	18.21
	Electricity charges	2.13	0.57
	Printing and stationary	9.80	11.55
	Telephone & Postage Expenses	25.85	24.79
	Insurance	26.52	24.91
	Computer Expense	52.36	41.97
	Auditors Remuneration (Refer Note a below)	6.86	6.11
	Legal, Professional & consultancy fees	171.90	57.04
	Repairs & Maintenance Others	72.59	21.40
	Miscellaneous expenses	22.03	45.95
	CSR Expenditure (Refer Note 37)	32.74	27.18
	Business Support Services	339.30	343.85
	Lab Testing Expenses	13.52	12.44
	Technical Service Expense	56.91	90.02
	Foreign Exchange Fluctuation Loss	-	24.12
	Provision for Expected credit loss	775.68	122.73
	B	1,618.62	873.74
	Selling and Distribution Expenses		
	Carriage outwards	604.37	660.47
	Rent	90.90	91.33
	Commission on sales	121.24	119.92
	Travelling Expenses	752.78	467.91
	Sales Promotion Expenses	129.35	365.99
	C	1,698.63	1,705.63
	Total (A+B+C)	4,563.35	3,822.19



Tax Reconciliation

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

Particulars	2023-24	2022-23
Current Income Tax		
Deferred Tax Expense	1,012.50	560.86
Tax expense for the year	(205.05)	4.77
	807.45	565.63

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

Particulars	2023-24	2022-23
Profit before income tax expense	3,236.13	1,915.75
Indian statutory income tax rate	25.17%	25.16%
Expected Income Tax expenses	814.47	482.00
Part A		
Tax effect of amounts which are not deductible (allowable) in calculating taxable income:		
Income exempt from income taxes		-
Additional allowances/deduction	197.94	39.74
Transition gain		-
Others		-
Short/Excess Provision for earlier years		39.12
Current Tax (A)	1,012.50	560.86
Part B		
Deferred Tax Effect at the rate of:		
Opening Deferred Tax	25.63%	25.63%
Depreciation	22.97	(33.56)
Provision for Doubtful Debts	197.89	28.79
Gratuity		-
	(220.86)	4.77
Less:		
Investment at Fair Value	10.53	-
Gratuity	5.28	-
MAT Credit		-
Other Deferred tax Asset		-
Provision for Doubtful Debts		-
Deferred Tax (B)	(205.05)	4.77
Tax Expense (A+B)	807.45	565.63

34 Financial Instruments – Fair values and risk management

A. Accounting classification and fair values

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

	As at 31 March 2024							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents (Including other bank balances)			2,376.44	2,376.44				-
Investments								
- Subsidiary			1,275.87	1,275.87			1,275.87	1,275.87
- Mutual Funds	891.08			891.08	891.08			891.08
Trade and other receivables			6,253.82	6,253.82				-
Loans			1.72	1.72				-
Other financial assets			555.33	555.33				-
TOTAL	891.08	-	10,463.18	11,354.26			1,275.87	2,166.95
Financial liabilities								
Long term borrowings (Including Short term borrowings)			-	-				-
Trade and other payables			2,145.30	2,145.30				-
Other financial liabilities			526.74	526.74				-
TOTAL	-	-	2,672.05	2,672.05			-	-



(Rs. In Lakhs except otherwise stated)

	As at 31 March 2023							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents (Including other bank balances)			1,557.07	1,557.07				-
Investments								
- Subsidiary			1,275.87	1,275.87			1,275.87	1,275.87
- Mutual Funds			-	-				-
Trade and other receivables			6,106.77	6,106.77				-
Loans			5.08	5.08				-
Other financial assets			634.85	634.85				-
TOTAL			9,579.64	9,579.64			1,275.87	1,275.87
Financial liabilities								
Long term borrowings (Including current maturity of Long term borrowings)			-	-				-
Short term borrowings			-	-				-
Trade and other payables			2,399.29	2,399.29				-
Other financial liabilities			474.80	474.80				-
TOTAL			2,874.09	2,874.09				-

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 Company's receivables from customers and investments in debt securities, cash and cash equivalents, mutual funds, bonds etc.

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

Trade and other receivables

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

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

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

Cash and cash equivalents

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

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



(Rs. In Lakhs except otherwise stated)

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.

(Rs. In Lakhs)

Sr No	As at 31st March, 2024	Notes	Carrying Values	Less than 12 Months	More than 12 Months
1	Borrowings	20	-	-	-
2	Trade payables	21	2,145.30	2,145.30	-
3	Other Financials Liability	22	-	-	-
4	Other Current Liabilities	23	526.74	526.74	-
	TOTAL		2,672.05	2,672.05	-

(Rs. In Lakhs)

Sr No	As at 31st March, 2023	Notes	Carrying Values	Less than 12 Months	More than 12 Months
1	Borrowings	20	-	-	-
2	Trade payables	21	2,399.29	2,399.29	-
3	Other Financials Liability	22	-	-	-
4	Other Current Liabilities	23	474.80	474.80	-
	TOTAL		2,874.09	2,874.09	-

iv. Market risk

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

a) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchase, and other expenses are denominated and the functional currency of the Company. The functional currency of the Company is Indian Rupees (INR). The currencies in which these transactions are primarily denominated are EURO and USD.

b) Interest rate risk

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

35 EMPLOYEE BENEFIT PLANS

(A) Defined contribution plan

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

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to Provident Fund	176.44	175.48
Contribution to Superannuation Fund	5.94	6.07
Contribution to ESIC	19.51	19.69
Contribution to Labour Welfare Fund	0.47	0.39
	202.36	201.64



(B) Defined Benefit Plan

(Rs. In Lakhs except otherwise stated)

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

Particulars	As at 31 March 2024	As at 31 March 2023
	(Funded plan)	(Funded plan)
(i) Change in Defined Benefit Obligation		
Opening defined benefit obligation	406.14	419.17
Amount recognised in profit and loss	-	(17)
Current service cost	45.52	48.44
Interest cost	30.22	28.47
Amount recognised in other comprehensive income		
Actuarial loss / (gain) arising from:		
Return on Plan Assets		
Financial assumptions	19.45	(61.14)
Other		
Benefits paid	(58.33)	(12.29)
Closing defined benefit obligation	443.00	406.14
(ii) Change in Fair Value of Assets		
Opening fair value of plan assets	397.24	334.17
Amount recognised in profit and loss	-	(17)
Interest income	29.56	22.69
Amount recognised in other comprehensive income		
Actuarial gain / (loss)		
Return on Plan Assets, Excluding Interest Income	(1.54)	6.22
Equitable Fund Transfer in		
Contributions by employer	26.11	62.95
Benefits paid	(58.33)	(12.29)
Closing fair value of plan assets	393.04	397.24
Actual return on Plan Assets	28.02	28.91
(iii) Plan assets comprise the following		
Insurance fund (100%)	Unquoted 393.04	Unquoted 397.24
(The Company has this investments in Group Gratuity Policy with LIC. The details of further investment by LIC is not available with the company.)		
(iv) Principal actuarial assumptions used		
Discount rate	% 7.25	% 7.45
Withdrawal Rate	1.00	1.00
Future Salary Increase	5.00	5.00
(v) Amount recognised in the Balance Sheet	As at 31st March, 2024	As at 31st March, 2023
Present value of obligations as at year end	443.00	406.14
Fair value of plan assets as at year end	(393.04)	(397.24)
Net (asset) / liability recognised as at year end	49.96	8.90
Recognised under :		
Short term provisions	0.00	0.00
Long term provisions	8.90	84.99
	8.90	84.99

(vi) Sensitivity analysis

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	DBO	Change in DBO (%)	DBO	Change in DBO (%)
Discount Rate Varied by 1.0%				
+1%	404.53	-8.7%	371.18	-8.6%
-1%	487.77	10.1%	446.91	10.0%
Salary Growth rate varied by 1.0%				
+1%	488.27	10.2%	447.46	10.2%
-1%	403.49	-8.9%	370.16	-8.9%



(Rs. In Lakhs except otherwise stated)

(vii) **Expected future cash flows**

The expected maturity analysis is as follows :	For year ended	For year ended
	31.3.2024	31.3.2023
Expected benefits for year 1	32.37	41.55
Expected benefits for year 2	7.36	21.33
Expected benefits for year 3	32.54	6.85
Expected benefits for year 4	38.98	34.37
Expected benefits for year 5	30.85	36.00
Expected benefits for year 6 and above	268.49	229.77

36 **CAPITAL MANAGEMENT**

The Company's capital management objectives are:

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

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

(i) **Debt equity ratio**

	As at March 31, 2024	As at March 31, 2023
Debt (includes non-current, current borrowings and current maturities of long term debt)	0.00	0.00
Less : cash and cash equivalents	326.11	305.78
Net debt	0.00	0.00
Total equity	10431.69	8218.73
Net debt to total equity ratio	0.00%	0.00%

(ii) **Dividend on equity shares paid during the year**

	For the year March 31, 2024	For the year March 31, 2023
Dividend on equity shares		
Final dividend of Rs.40 per equity share for the year 2022-23 (2021-22 : Rs.18.00)	200.00	90.00

37 **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. 32.74 lakhs. (Previous Year 27.18 Lakhs)
- Amount spent during the year is Rs. 32.74 lakhs (Previous Year 27.18 Lakhs)

Corporate Social Responsibility expenditure

[₹ in Lakhs]

	As at March, 2024	As at March, 2023
a) Amount required to be spent by the company during the year	32.74	27.18
b) Amount of expenditure incurred	-	-
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) and above	32.74	27.18
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	-	-
f) Nature of CSR activities	Education & Welfare of children	Education & Welfare of children
g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	12.61	15.00
h) Where a provision is made with respect to a liability incurred by entering into a contractual the year shall be shown separately.	-	-



38 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 (Malaysia) SDN BHD, Chembond Clean Water Technologies Ltd, Chembond Water Technologies (THAILAND) Co.Ltd

iii. Associate & Fellow Subsidiary Companies:

Chembond Material Technologies Pvt Ltd, Chembond Biosciences Ltd., Chembond Calvatis Industrial Hygiene Systems Ltd., Chembond Distribution Ltd. Rewasoft Solutions Private Ltd.

iv. Key Management Personnel and their relatives (KMP)

Key Management Personnel:

Sameer V. Shah, Nirmal V. Shah, Vinod Deshpande, Mahendra K.Ghelani

Relatives :

Padma V. Shah, Dr. Shilpa S. Shah, Mamta N. Shah, Raunaq Shah , Mallika Shah, Amrita Shah, Rahil Shah, Kshitija Shah Alpana S. Shah, Jyoti N. Mehta

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

Finor Piplaj Chemicals Ltd,Visan Holdings Pvt. Ltd.

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

(Rs. In Lakhs except otherwise stated)

Description of the nature of transactions	31.03.2024					31.03.2023				
	Holding Company	Subsidiary	Associate / Fellow Subsidiary	KMP	Total	Holding Company	Subsidiary	Associate / Fellow Subsidiary	KMP	Total
Sales of Goods	90.29	1,054.43	3.74	122.40	1,270.86	108.97	939.03	5.83	150.04	1,203.87
Chembond Chemical Ltd	90.29				90.29	108.97				108.97
Chembond Material Technologies Pvt Ltd			3.7		3.70			5.69		5.69
Chembond Clean Water Technologies Ltd		794.88			794.88		773.81			773.81
Chembond Calvatis Industrial Hygiene Systems Ltd			0.04		0.04				0.06	0.06
Finor Piplaj Chemicals Ltd				122.4	122.40					150.04
Chembond Polymers & Materials Ltd					-			0.08		0.08
Chembond Water Technologies Ltd Malaysia (Formerly know as Chembond Chemicals (Malaysia) SDN.BHD)		156.02			156.02		121.91			121.91
Chembond Water Technologies (THAILAND) Co.Ltd		103.53			103.53		43.32			43.32
Purchase of Goods	344.45	1,512.08	84.50	1,814.99	3,756.02	230.24	1,815.35	84.71	1,873.93	4,004.24
Chembond Chemical Ltd	344.45				344.45	230.24				230.24
Chembond Clean Water Technologies Ltd		1512.08			1,512.08		1,815.35			1,815.35
Chembond Biosciences Ltd			0.38		0.38					
Chembond Distribution Ltd			65.35		65.35			38.84		38.84
Finor Piplaj Chemicals Ltd				1814.99	1,814.99				1,873.93	1,873.93
Chembond Material Technologies Pvt Ltd			18.12		18.12			43.90		43.90
Chembond Polymers and Materials Ltd.					-			0.17		0.17
Chembond Calvatis Industrial Hygiene Systems Ltd			0.65		0.65			1.80		1.80
Reimbursement of Expenses	200.00	-	-	-	200.00	238.08	-	-	-	238.08
Chembond Chemical Ltd	200				200.00	238.08				238.08
Dividend Paid	200	-	-	-	200.00	-	-	-	-	-
Chembond Chemical Ltd	200				200.00					
Rent Income	-	1.20	2.40	-	3.60	-	1.20	2.40	-	3.60
Chembond Clean Water Technologies Ltd		1.2			1.20		1.20			1.20
Chembond Material Technologies Pvt Ltd			1.2		1.20			1.20		1.20
Chembond Calvatis Industrial Hygiene Systems Ltd			1.2		1.20			1.20		1.20
Jobwork charges	783.85	-	-	-	783.85	847.66	-	-	-	847.66
Chembond Chemical Ltd	783.85				783.85	847.66				847.66
Corporate Gurantee Fees	21.56	-	-	-	21.56	20.23	-	-	-	20.23
Chembond Chemical Ltd	21.56				21.56	20.23				20.23
Dividend Income	-	149.01	-	-	149.01	-	-	-	-	-
Chembond Clean Water Technologies Ltd		149.01			149.01					
Rental Expenses	63.54	-	-	3.00	66.54	63.54	-	-	3.00	66.54
Chembond Chemical Ltd	63.54				63.54	63.54				63.54
Finor Piplaj Chemicals Ltd				3.00	3.00				3.00	3.00
CSR Expenditure										
Visan Holdings Pvt Ltd				12.61	12.61				15.00	15.00
Director Remunration	-	-	-	181.01	181.01	-	-	-	154.25	154.25
Nirmal V. Shah				65.18	65.18				54.66	54.66
Vinod J. Deshpande				115.83	115.83				99.59	99.59
Director Sitting Fees	-	-	-	1.40	1.40	-	-	-	0.90	0.90
Mahendra Ghelani				1.00	1.00				0.90	0.90
Sushil Lakhani				0.40	0.40					
Balance at the end of the year										
A. Sundry Debtors	15.95	91.25	0.33	56.51	164.04	16.39	96.45	0.74	16.55	130.12
Chembond Chemical Ltd	15.95				15.95	16.39				16.39
Chembond Clean Water Technologies Ltd		91.25			91.25		96.45			96.45
Chembond Calvatis Industrial Hygiene Systems Ltd			0.22		0.22			0.18		0.18
Chembond Material Technologies Pvt Ltd			0.11		0.11			0.56		0.56
Finor Piplaj Chemicals Ltd				56.51	56.51				16.55	16.55
B. Sundry Creditors	268.58	118.02	0.58	341.67	728.85	176.35	618.70	27.38	365.45	1,187.87
Chembond Material Technologies Pvt Ltd			0.01		0.01			3.99		3.99
Finor Piplaj Chemicals Ltd				341.67	341.67				365.45	365.45
Chembond Distribution Ltd			0.53		0.53			23.39		23.39
Chembond Clean Water Technologies Ltd		123.25			123.25		618.70			618.70
Rewasoft Solutions Private Limited		(5.23)			(5.23)					
Chembond Calvatis Industrial Hygiene Systems Ltd			0.04		0.04					
Chembond Chemical Ltd	268.58				268.58	176.35				176.35



39 Trade receivables ageing schedule on 31 March 2024

[Rs in Lakhs except otherwise stated]

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 Year	1 -2 Year	2 -3 Year	More than 3 Years	
Trade receivables	-	5537.75	716.06	-	-	-	6253.81
Undisputed trade receivables - considered good	-	-	-	-	-	-	-
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	1065.76	-	1065.76
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	-	5,537.75	716.06	-	1,065.76	-	7,319.57
Less: Impairment Loss Allowance					(1,065.76)		(1,065.76)
Trade receivables							6,253.81

Ageing for trade receivables - current outstanding as at March 31, 2023 is as follows:

[Rs in Lakhs except otherwise stated]

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 Year	1 -2 Year	2 -3 Year	More than 3 Years	
Trade receivables -Billed	-	5,420.29	686.48	-	-	-	6,106.77
Undisputed trade receivables - considered good	-	-	-	-	-	-	-
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	293.53	-	293.53
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	-	5,420.29	686.48	-	293.53	-	6,400.30
Less: Impairment Loss Allowance					(293.53)		(293.53)
Trade Receivables							6,106.77

Trade Payables

*

40 Trade Payables ageing schedule on 31 March 2024

[Rs in Lakhs except otherwise stated]

Particular	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	
Trade Payables						
MSME	-	55.18	-	-	-	55.18
Others	-	-	1923.62	166.33	-	2090.12
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

[Rs in Lakhs except otherwise stated]

Particular	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	
Trade Payables						
MSME	-	568.73	-	-	-	568.73
Others	-	1792.92	36.82	0.83	-	1830.57
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-



41 Ratios

Ratio	Numerator	Denominator	Current Year	Previous year	% variance	Reason for variance
Current ratio (in times)	Total current assets	Total current liabilities	3.93	3.06	28.27%	A increased in ratio due to an increase in investment and Bank balances
Debt-Equity ratio (in times)	Debt	Total equity	0.00	0.00		
Debt service coverage ratio (in times)	Earning for Debt service = Net Profit after taxes + Noncash operating expenses + interest + Other non - cash	Debt service = Interest and lease payments + Principal repayments	983.49	193.00	409.57%	PBT for FY 2023-24 has been increased comparing to last year resulted increased in DSCR
Return On equity ratio (in %)	Profit for the year	Average total equity	26.04%	17.84%	46.00%	% of profit has been increased comparing to last year resulted increased in ROER
Inventory turnover ratio (in times)	Raw materials, subassemblies, components, finished goods and work in progress consumed	Average inventories	10.34	11.80	-12.35%	
Trade receivable turnover ratio (in times)	Revenue from operations	Average trade receivables	3.56	4.06	-12.24%	
Trade payables turnover ratio (in times)	Total supplier purchases	Average trade payables	4.82	6.30	-23.42%	Increased in average payable comparing to last year
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (ie. Total current assets less Total current liabilities)	3.17	4.05	-21.66%	Increased in average working capital comparing to last year
Net profit ratio (in %)	Profit for the year	Revenue from operations	11.02%	6.38%	72.69%	Increase in sales turnover
Return on capital employed (in %)	Profit before tax and finance cost	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	31.49%	23.92%	31.64%	Increase in sales turnover
Return on investments (in %)	Income generated from invested funds	Average invested funds	3.05%	-	100.00%	Since there were no investment sold last year

Other Miscellaneous Disclosures

Disclosures Related to CSR

Following disclosure for CSR has given:

	[Rs in Lakhs]	
	As at March, 2024	As at March, 2023
a) Amount required to be spent by the company during	32.74	27.18
b) Amount of expenditure incurred	32.74	27.18
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	-	-
f) Nature of CSR activities	-	-
g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	12.61	15
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-



42 Additional regulatory information not disclosed elsewhere in the financial information

- A The Company and its Indian subsidiaries do not have any Benami property and no proceedings have been initiated or pending against the Company and its Indian subsidiaries for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- B The Company do not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- C The Company does not have any charge which is yet to be registered / satisfied with ROC beyond the statutory period
- D The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- E The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party(Ultimate Beneficiaries) or

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



		(Rs. In Lakhs except otherwise stated)	
		2023-2024	2022-2023
a	Auditor's Remuneration consists of:		
	Statutory Audit Fees	4.68	4.26
	Tax Audit Fees	0.68	0.62
	Taxation and Other Matters	1.50	1.23
	Total	6.86	6.11
b	Lease		
	The Company normally acquires factories, offices and warehouses under non-cancellable operational leases. Minimum lease payments outstanding at year end in respect of these assets are as under:		
		(Rs. In Lakhs except otherwise stated)	
		Total Minimum Lease Payment Outstanding as on 31/03/2024	Total Minimum Lease Payment Outstanding as on 31/03/2023
	Company As a Lessee		
	Due within one year	1.92	29.47
	Due later than one year and not later than five years	-	-
	Due later than five years	-	-
	Lease payments recognised in the Statement of Profit & Loss	67.66	66.54
		2023-2024	2022-2023
43	EARNINGS PER SHARE		
	Net Profit available to Equity Shareholders (Rs. In Lakhs)	2,428.68	1,350.11
	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)	485.74	270.02
	Diluted No. of Equity Shares	500,000	500,000
	Diluted Earnings per Share (in Rupees)	485.74	270.02
44	SEGMENT REPORTING		
	"The Company is engaged in the manufacture, Trading and providing services of Specialty Chemicals, which in the context of IND AS 108- Operating segment specified under section 133 of the Companies Act, 2013 is considered as a single business segment of the company.		
	Operating segment are reported in a manner consistent with internal report provided to chief operating decision maker.		
	The Board of Directors of the company has been identified as chief operating decision maker which reviews and assesses the financial performance and makes the strategic decision.		
	The Company has 1 customer whose revenue represents 10.65% of the Company's total revenue and revenue from all other customer is less than 10% of Company's total revenue.		
		As at 31/03/2024	As at 31/03/2023
45	Contingent Liabilities not provided for are in respect of :		
	Particulars		
	A. Income Tax matter		
	(i) The demand raised by Deputy Commissioner of Income Tax, Mumbai for the AY 2009-10.	4.63	4.63
	(ii) Income Tax (TDS).	2.66	0.32
	B. GST matter		
	(i) The demand raised by GST Department.	11.92	11.92



46 Audit Trail

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

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

The Company also uses software for payroll application and employee reimbursement. While in the payroll software there is a feature of audit log for recording audit trail and the same cannot be disabled or modified, but in the case of software for employee reimbursement it does not have audit trail feature.

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

47 Events occurring After Balance sheet date

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

48 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



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



Nirmal V. Shah
Director
DIN : 00083853



Sameer V. Shah
Director
DIN: 00105721



Vinod J. Deshpande
Director
DIN: 07529370

Place : Mumbai.
Date: 10th May, 2024

Place :Mumbai.
Date: 10th May, 2024

