

M/s. KASTURY & TALATI
CHARTERED ACCOUNTANTS



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No.: 964/2014

LIMITED REVIEW REPORT ON THE UNAUDITED FINANCIAL RESULTS OF
CHEMBOND CHEMICALS LIMITED FOR THE QUARTER ENDED
30th JUNE, 2014

To
The Board of Directors,
Chembond Chemicals Limited
Chembond Centre,
EL-71, Mahape, M.I.D.C.,
Navi Mumbai-400 705.

We have reviewed the accompanying statement of standalone unaudited financial results for the quarter ended 30th June, 2014 ("Statement") of CHEMBOND CHEMICALS LIMITED ("Company") except for the disclosures regarding "Public Shareholding", "Promoter and Promoter Group Shareholding" and "Investors Complaints" which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Without qualifying our review report, we draw attention to Note no. 5 of the Statement relating to the exposure by way of investments, loans & advances and debtors aggregating Rs.1223.08 lakhs in two subsidiaries and one associate company whose net worth has eroded.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 which are deemed to be applicable as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement with the Stock Exchanges in India, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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


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

Place: Mumbai
Date : 09.08.2014



CHEMBOND CHEMICALS LIMITED

CIN L24100MH1975PLC018235

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

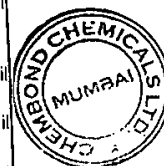
Unaudited Financial Results for the Quarter and three months ended 30th June, 2014

(Rs in Lacs)

Sr. No	Particulars	Standalone			
		Quarter Ended		Year Ended	
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
		Unaudited	Audited	Unaudited	Audited
1	Income From Operations	5,161.09	5,478.04	4,773.49	20,130.79
	a. Net Sales/Income From Operations (Net of Excise Duty)				
	b. Other Operating Income	263.74	87.70	269.85	512.61
	Total Income from Operations (Net)	5,424.83	5,565.74	5,043.34	20,643.39
2	Expenditure	4,231.74	4,167.98	3,940.56	16,227.37
	a. Cost of material Consumed	128.81	182.14	187.20	725.10
	b. Purchase of Stock-in trade				
	c. Changes in inventory of finished Goods, work-in-progress and Stock-in-trade	(18.19)	142.63	(95.85)	(110.74)
	d. Employees Benefit Expenses	479.86	482.60	408.44	1,771.53
	e. Depreciation and Amortisation Expenses	66.17	54.74	44.37	192.13
	f. Other expenses	241.45	302.75	264.76	1,122.99
	Total Expenses	5,129.84	5,332.84	4,749.48	19,928.38
3	Profit from Operations before Other Income, Interest and Exceptional Items	294.99	232.90	293.86	715.01
4	Other Income	-	-	-	-
5	Profit from ordinary activities before finance cost & exceptional items	294.99	232.90	293.86	715.01
6	Finance Costs	65.49	100.71	56.54	304.20
7	Profit from ordinary activities after finance costs & exceptional items	229.50	132.19	237.32	410.81
8	Exceptional items	-	-	-	-
9	Profit from ordinary activities before tax	229.50	132.19	237.32	410.81
10	Tax Expense	6.57	(24.98)	17.29	18.37
11	Net Profit from ordinary activity after tax	222.93	157.18	220.03	392.44
12	Extraordinary Items	-	-	-	-
13	Net Profit For the Period	222.93	157.18	220.03	392.44
14	Paid-up equity share capital (face value of Rs 10 per share)	666.04	666.04	666.04	666.04
15	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting Year	-	-	-	4175.55
16	Earning Per Share (of Rs.10 each) (not annualised)				
	Basic EPS	3.35	2.36	3.30	5.89
	Diluted EPS	3.25	2.29	3.29	5.72

Part-II Select Information for the Quarter and Year ended 30th June, 2014

Sr. No	Particulars	Quarter Ended			Year Ended
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
B	PARTICULARS OF SHAREHOLDING				
17	Public Shareholding	2094567	2096787	2103694	2096787
	- No. of shares	31.45%	31.48%	31.59%	31.48%
	- Percentage of shareholding				
18	Promoter & Promoter Group Shareholding				
	a) Pledged/Encumbered	Nil	Nil	Nil	Nil
	- No. of shares				
	- Percentage of shareholding(as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil
	- Percentage of shareholding(as a % of the total share capital of the company)	Nil	Nil	Nil	Nil
	b) Non-encumbered	4565845	4563625	4556718	4563625
	- No. of shares				
	- Percentage of shareholding(as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
	- Percentage of shareholding(as a % of the total share capital of the company)	68.55%	68.52%	68.41%	68.52%



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Particulars	3 months Ended 30.06.2014
B INVESTOR COMPLAINTS	
Pending at the Beginning of the Quarter	0
Received During the Quarter	3
Disposed of during the Quarter	3
Remaining Unresolved at the End of Quarter	0

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NOTES:

- The above results for the Quarter ended 30th June 2014 have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 9th August, 2014 and subjected to limited review by the Statutory auditors.
- The company operates in a single business segment, namely "Specialty Chemicals" and therefore the information pursuant to AS - 17 is not applicable.
- Other Operating Income for the Quarter ended 30th June 2014 includes Dividend of Rs 206.25 Lacs received from Subsidiary Company. (Previous Quarter ended 30th June 2013 as well as Year ended 31st March 2014 Rs 192.50 Lacs).
- In accordance with The Companies Act 2013, the company has revised the useful life of fixed assets to comply with the useful life as mentioned in the Schedule II of the said Act. As per the transitional provisions the company has adjusted Rs.36.95 Lacs (net of deferred tax) from the opening balance of retained earnings. Had the Company continued to follow the earlier useful lives, the depreciation expense for the period would have been lower by Rs.14.46 Lacs.
- The Company has forayed in the areas of water treatment equipments, retail construction chemical products & Industrial coatings which are in gestation period. In this respect, the Company has investments, Loans & Advances and Debtors aggregating Rs.1223.08 Lacs in two subsidiaries and one associate company whose net worth has eroded. However no provision is considered necessary as Management is confident enough to bring positive trend in near future and the Investments are long term and losses are temporary in nature. Auditors have without qualifying their report given emphasis on this matter.
- The Figures of Quarter ended 31st March 2014 are the balancing figures between audited figures in respect of the full financial year and year to date figures upto the 3rd Quarter ended 31st December 2013.
- Previous quarter figures have been regrouped or reallocated wherever necessary to conform to this quarter classification.



Place : Mumbai
Date : 9th August, 2014



By Order of the Board of Directors
For CHEMBOND CHEMICALS LTD

V. D. Shah
Sameer V. Shah
Chairman & Managing Director